

PUBLIC PROTECTION CABINET
Department of Housing, Buildings and Construction
Division of Building Code Enforcement
(Amendment)

815 KAR 25:020. Recreational vehicles.

RELATES TO: KRS 227.550 - 227.665

STATUTORY AUTHORITY: KRS 227.570, 227.590, 227.620

NECESSITY, FUNCTION, AND CONFORMITY: KRS 227.590(1) requires the Department of Housing, Buildings and Construction to promulgate administrative regulations reasonably ~~required[necessary]~~ to effectuate the provisions of KRS 227.550 to 227.660~~[and carry out the department's responsibility as a state administrative agency]~~. KRS 227.570(1)(a) requires the department to promulgate administrative regulations establishing a process for licensing retailers and issuing certificates of acceptability to qualifying manufacturers. KRS 227.620(2) requires the department to promulgate administrative regulations establishing application and fee requirements for a retailer's license. KRS 227.620(4)(a) requires the department to establish fees for a retailer's license, a manufacturer's "certificate of acceptability," and "Class B," "Class B1," and "Class B2" seals, in accordance with KRS 227.620(4)(a), 1. to 4. This administrative regulation establishes the requirements for retailers to obtain a license to sell recreational vehicles and the standards for issuing a certificate of acceptability to manufacturers of recreational vehicles.

Section 1. Standard for Recreational Vehicles. (1) All recreational vehicles manufactured for sale within the Commonwealth of Kentucky shall comply with the applicable standards set forth in the NFPA 1192 Standard on Recreational Vehicles.

Section 2. Licensed Retailers.

(1) Application. An applicant for a recreational vehicle retailer license shall submit to the department:

- (a) A completed Form HBC RV-2 Recreational Vehicle Retailer Application;
- (b) A fee in the amount of \$200 for one (1) full year, or a reduced amount prorated on a monthly basis for a period of less than a full year, payable to the Kentucky State Treasurer; and
- (c) Proof of liability insurance naming the department as the certificate holder in the minimum amount of at least:
 - 1. \$200,000 bodily injury or death for each person;
 - 2. \$300,000 bodily injury or death for each accident; and
 - 3. \$100,000 property damage.

(2) Application review period. All licenses shall be granted or denied in accordance with KRS 227.620(3)

(3) Certified Retailer. A licensed retailer may complete inspections for the public if the retailer qualifies as a certified retailer.

(a) An applicant to become a certified retailer shall complete and submit to the department Form HBC MH/RV-2 Request for Approval to Inspect.

(b) A certified retailer shall not:

- 1. Perform negligent inspections or repairs on a unit; or
- 2. Apply the wrong seal to a unit.

(4) Out-of-state retailers. To inspect and apply Kentucky seals for used recreational vehicles that are sold by out-of-state retailers for delivery into Kentucky, an out-of-state retailer shall be a Kentucky certified retailer.

(5) Periodic reports.

(a) A retailer shall maintain a record of all new or used units sold to include the following:

1. Serial numbers;
2. B seal numbers;
3. Date manufactured;
4. Make of recreational vehicle; and
5. The name and address of the purchaser.

(b) The retailer shall make the report available to any department employee upon request.

Section 3. Certificate of Acceptability.

(1) Certificate of acceptability requirement. A manufacturer shall not manufacture, import, or sell any recreational vehicle in the Commonwealth unless the manufacturer has received a certificate of acceptability issued by the department.

(2) Requirements for issuance. An applicant for a certificate of acceptability shall submit to the department:

- (a) A completed Form HBC MH/RV-1 Application of Certificate of Acceptability;
- (b) Its in-plant quality control systems;
- (c) An affidavit certifying compliance with the applicable standards, such as NFPA 1192 as adopted through REVA;
- (d) A \$500 certification of acceptability fee for a full year, or a reduced amount prorated on a monthly basis for a period of less than a full year, by check or money order, made payable to the Kentucky State Treasurer; and
- (e) Proof of general liability insurance to include lot and completed operations insurance in the minimum amount of at least:
 1. \$300,000 bodily injury or death for each person;
 2. \$400,000 bodily injury or death for each accident; and
 3. \$100,000 property damage.

(3) In-plant quality control. To obtain in-plant quality control approval, a manufacturer shall submit to an inspection by the department for field certification of satisfactory quality control. Applications for approval of in-plant quality control systems shall contain the following:

- (a) A certified copy of the plans and specifications of a model or model-group for electrical, heating, and plumbing systems. All plans shall be submitted on sheets, the minimum possible size of which is eight and one-half (8 1/2) inches by eleven (11) inches, and the maximum possible size of which is twenty-four (24) inches by thirty (30) inches.
- (b) The manufacturer shall certify that the systems comply with:
 1. NFPA 1192 Standards on Recreational Vehicles; or
 2. ANSI A119.5 Park Trailers.
- (c) A copy of the procedure that directs the manufacturer to construct recreational vehicles in accordance with the plans, specifying:
 1. Scope and purpose.
 2. Receiving and inspection procedure for basic materials.
 3. Material storage and stock rotation procedure.
 4. Types and frequency of product inspection.
 5. Sample of inspection control form used.
 6. Responsibility for quality control programs, indicating personnel, their assignments, experience, and qualifications.
 7. Test equipment.
 8. Control of drawings and material specifications.

9. Test procedures.

(4) Manufacturer and retailer. If the manufacturer is also a retailer, the manufacturer shall comply with retailer licensing provisions pursuant to Section 1 of this administrative regulation.

(5) Trade show. A certificate of acceptability shall not be required for manufacturers attending a recreational vehicle trade show within the Commonwealth of Kentucky if they do not sell recreational vehicles to Kentucky licensed retailers.

(6) Incorrect or Incomplete applications.

(a) If the department receives an incorrect or incomplete application, the department shall issue a correction notice specifying the defect to the applicant within thirty (30) days of receiving the application. If no corrected application is filed within thirty (30) days, the department shall deem the application abandoned and the fee forfeited.

(b) A corrected application submitted after the thirty (30) day period shall be processed as a new application.

(7) Proprietary information.

(a) The manufacturer shall label as proprietary any information relating to building systems or in-plant quality control systems that the manufacturer considers proprietary.

(b) The department, the inspection and evaluation personnel, and local enforcement agencies shall maintain and treat the designated information as proprietary unless the department determines that disclosure is necessary to carry out the purposes of KRS 227.550 through KRS 227.665 and 815 KAR Chapter 25.

(8) Alternative standards. A manufacturer may submit alternative standard for recreational vehicles established by another state, federal government, or other independent third party for review by the department. If the department finds that the alternative standard for recreational vehicles is applicable to the standard adopted by this administrative regulation, then a certificate of accessibility shall be issued for those recreational vehicles.

Section 4. License and Certificate Renewals.

(1) Expiration of a license and certificate. A license and a certificate of acceptability shall expire on:

(a) For individuals, the last day of the licensee's or certificate holder's birth month in the following year; or

(b) For business entities:

1. The licensee's or certificate holder's month of incorporation in the following year; or

2. The last day of the birth month of the principal officer of the firm.

(2) Renewal procedure. A retailer and a manufacturer holding a certificate of acceptability wishing to renew a license or certificate shall submit to the department:

(a) A completed Form HBC MH/RV-3 License and Certification Renewal Application;

(b) Proof of continuing general liability insurance coverage; and

(c) A check or money order for the annual license fee payable to the Kentucky State Treasurer, in the amount of:

1. \$200 for a licensed retailer; or

2. \$500 for a certificate of acceptability.

Section 5. Recreational Vehicles in Manufacturers' or Retailers' Possession.

(1) Used recreational vehicle inspection.

(a) Prior to the offering for sale of any used recreational vehicle, or a recreational vehicle taken in trade, the retailer shall first certify that the electric, heating, plumbing, and fire and life safety systems are in a safe working condition.

(b) The retailer shall make any necessary repairs prior to offering the recreational vehicle for sale.

- (c) The retailer shall affix a B seal to the recreational vehicle once any repairs have been made.
- (d) If a seal is on the recreational vehicle prior to the inspection, the existing seal shall be removed and a new B seal placed on the recreational vehicle.
- (2) Salvage units.
 - (a) A B2 seal shall be required if the retailer submits to the department an affidavit that the unit is a salvage unit.
 - (b) A salvage unit shall not be sold until it has been authorized, in writing, by the department to be labeled "salvage only" and the label has been affixed to the unit by the retailer.
- (3) Sales between retailers.
 - (a) No seal shall be required if one (1) licensed retailer sells any unit to another licensed retailer.
 - (b) The retailer selling the unit shall submit prior notice of the sale to the department.
- (4) All used recreational vehicles purchased outside the Commonwealth not bearing a Kentucky B seal shall be inspected as a used recreational vehicle by a certified retailer or the department.
- (5)
 - (a) A recreational vehicle that is not in compliance with the requirements of this administrative regulation shall be:
 - 1. Corrected prior to the retailer certifying the recreational vehicle or offering the recreational vehicle for sale; or
 - 2. Classified as a salvage unit and issued a salvage label in accordance with this administrative regulation.
 - (b) All recreational vehicles requiring repairs or corrections prior to recreational vehicle certification shall be reported to the department specifying the repairs required to correct the deficiencies.
- (6) A retailer shall submit a completed Form HBC RV-7 Recreational Vehicle Unit Certification Format to the department no later than the first week of each month.
- (7) Fees for inspections. The fees for the inspection of recreational vehicles shall be:
 - (a) If performed by a certified retailer:
 - 1. Twenty (20) dollars per hour;
 - 2. Twenty-two (22) cents per mile, measured from the place of the certified retailer's place of business; and
 - 3. Twenty-five (25) dollars for the seal.
 - (b) If performed by the department:
 - 1. Thirty-five (35) dollars; and
 - 2. Twenty-five (25) dollars for the seal.

Section 6. Serial Numbers, Model Numbers, and Date Manufactured. A clearly designated serial number, model number, and date manufactured shall be stamped into the tongue or front cross member of the frame at the lower left hand side (while facing the unit) and if there is no tongue or cross member, then a data plate with this information shall be affixed on the outside in a conspicuous place.

Section 7. Change of Information.

- (1) Manufacturers or retailers shall notify the department in writing within thirty (30) days of a change in any of the following:
 - (a) The company or corporate name;
 - (b) The address of the company;
 - (c) Ownership interest of twenty-five (25) percent or more of the company within a twelve (12) month period; or
 - (d) The principal officers of the company.

(2) Manufacturers shall notify the department in writing within thirty (30) days of a change in any of the following:

- (a) The location of any manufacturing facility; or
- (b) The location of a new manufacturing facility.

(3) If the business location of a retailer is changed, the department shall reissue the license to reflect the change of location without charge if it is located within the same county. A change of location to another county, which is not adjacent to the initial county, shall require a new license.

Section 8. Temporary Licenses.

(1) An unlicensed retailer may offer for sale recreational vehicles within the Commonwealth of Kentucky if the retailer purchases a temporary license from the department.

(2) Temporary license requirements. An out-of-state applicant for a temporary license shall:

- (a) Be a duly licensed retailer in a state other than Kentucky;
- (b) Furnish to the department proof of liability insurance in the minimum amount of at least:
 - 1. \$200,000 bodily injury or death for each person;
 - 2. \$300,000 bodily injury or death for each accident; and
 - 3. \$100,000 property damage;
- (c) Provide documentation to the department of a physical inspection by an authorized representative of the department that confirms that a B seal is attached to each new unit the retailer proposes to display, show, or offer for sale;
- (d) Submit to the department Form HBC RV-6 Temporary RV Retailer's License;
- (e) Provide the department with the name, location, and time of the proposed event;
- (f) Pay by check or money order a temporary license fee of \$100 made payable to the Kentucky State Treasurer;
- (g) Certify to the department that the event shall comply with the Kentucky Fire code, 815 KAR 10:060;
- (h) Possess a valid Kentucky sales tax certificate; and
- (i) The state in which the applicant is licensed shall have reciprocal provisions for temporary licensing of Kentucky retailers.

(3) An application for a temporary license shall be submitted to the department at least thirty (30) days prior to an event at which the retailer intends to offer for sale or sell recreational vehicles.

(4) A retailer shall not be issued more than two (2) temporary licenses per calendar year.

(5) Used recreational vehicles. A temporary license retailer shall not display, show, or offer for sale within the Commonwealth any used recreational vehicles except for used recreational vehicles with a Kentucky seal.

(6) Duration of temporary license. A temporary license shall not exceed fifteen (15) days.

(7) Temporary licenses shall be prominently displayed at the location where the applicant is transacting business. The license shall be valid only for the location stated on the application.

Section 9. Seals.

(1) Application for seals. A licensed retailer shall submit to the department the following for B seals:

- (a) A completed Form HBC MH-12, Application for Purchasing B Seals; and
- (b) A fee of twenty-five (25) dollars for each B Seal requested, payable by check or money order to the Kentucky State Treasurer.

(2) Alteration or conversion of a unit bearing a seal.

- (a) Any alteration of the plumbing, heat-producing equipment, electrical equipment installations or fire and life safety in a recreational vehicle which bears a seal, shall void the approval and the seal shall be returned to the department.
 - (b) The following shall not constitute an alteration or conversion:
 - 1. Repairs with approved component parts by the manufacturer;
 - 2. Conversion of listed fuel-burning appliances in accordance with the terms of the manufacturer's listing;
 - 3. Adjustment and maintenance of equipment;
 - 4. Replacement of equipment in kind; or
 - 5. Any change that shall not affect those areas regulated by the NFPA 1192.
 - (c) Any retailer proposing an alteration to a recreational vehicle bearing a seal shall apply to the department. The application shall include:
 - 1. Make and model of the recreational vehicle;
 - 2. Serial number;
 - 3. State seal number;
 - 4. A complete description of the work to be performed together with plans and specifications if required; and
 - 5. Location of the recreational vehicle where work is to be performed.
 - (d) Upon completion of the alteration, the applicant shall request the department to make an inspection.
 - (e) The applicant shall purchase a replacement seal, based on inspection of the alteration for a fee of twenty-five (25) dollars.
- (3) Placement of B seals.
- (a) Each B seal shall be assigned and affixed to a specific recreational vehicle.
 - (b) Assigned B seals shall not be transferable except upon prior approval of the department.
 - (c) A B seal that is not affixed as assigned shall be void, and the B seal shall be returned to or confiscated by the department.
 - (d) A B seal shall remain the property of the department and shall be seized by the department if there is of a violation of KRS 227.550 to 227.665 or this administrative regulation.
 - (e) A B seal shall be securely affixed by the door on the handle side at approximately handle height.
 - (f) No other seal, stamp, cover, or other marking shall be placed within two (2) inches of the B seal.
- (4) Lost or damaged seals.
- (a) If a B seal becomes lost or damaged, the owner shall immediately notify the department in writing, specifying:
 - 1. The manufacturer;
 - 2. The recreational vehicle serial number; and
 - 3. When possible, the B seal number.
 - (b) All damaged B seals shall be returned to the department.
 - (c) Damaged and lost B seals shall be replaced by the department after an inspection and payment of the appropriate fee under Section 3(10).
- (5) Denial and repossession of seals.
- (a) If the department discovers that a retailer fails to repair a used recreational vehicle under the standards and procedures set forth in KRS 227.550 to 227.665 and this administrative regulation~~[-]~~ or fails to comply with any provision for placement of B seals, the department shall provide notice to the retailer of the violations.
 - (b) The retailer shall fix the violations, and the retailer shall submit proof to the department that the violations were fixed.

(c) If the retailer continues to offer for sale recreational vehicles in violation of KRS 227.550 to 227.665 or this administrative regulation, applications for new seals shall be denied and the seals previously issued and unused shall be confiscated. The department shall reimburse the retailer for the price of the confiscated unused seals.

(d) After the retailer submits proof that the violations have been fixed, the retailer shall resubmit an application for B seals.

(6) Red Tagging.

(a) If any recreational vehicle bearing a B seal is found to be in violation of KRS 227.550 to 227.665 or this administrative regulation, the department shall attach to the vehicle a red tag and furnish the retailer a copy of same.

(b) The department, a retailer, or a manufacturer shall not remove the red tag until the necessary corrections have been made and approved by an inspection conducted by the department or a certified retailer.

Section 10. Incorporation by reference.

(1) The following material is incorporated by reference:

(a) "Form HBC MH/RV-1, Application of Certificate of Acceptability", April 2023~~[May 2020]~~;

(b) "Form HBC MH/RV-2, Request for Approval to Inspect", May 2020;

(c) "Form HBC MH/RV-3, License and Certification Renewal Application", April 2023~~[May 2020]~~;

(d) "Form RV-2, Recreational Vehicle Retailer Application", April 2023~~[May 2020]~~;

(e) "Form HBC RV-6, Temporary RV Retailer's License", May 2020;

(f) "Form HBC MH-12, Application for Purchasing Seals", May 2020;

(g) "Form HBC RV-7, Recreational Vehicle Unit Certification Format", November 2018;

(h) "NFPA 1192, Standard on Recreational Vehicles", 2018; and

(i) "ANSI A119.5, Park Trailers", 2015.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Department of Housing, Buildings and Construction, Division of Building Code Enforcement, Manufactured Housing ~~Branch~~Section, 500 Mero Street, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m. and is available online at <http://dhbc.ky.gov>.

RAY A. PERRY, Secretary

RICK W. RAND, Commissioner

APPROVED BY AGENCY: April 12, 2023

FILED WITH LRC: April 13, 2023 at 3:30 p.m.

PUBLIC HEARING AND COMMENT PERIOD: A public hearing on this administrative regulation shall be held on June 27, 2023 at 10:00 a.m., eastern time, in the Department of Housing, Buildings and Construction, 500 Mero Street, First Floor, Frankfort, Kentucky 40601. Individuals interest in being heard at this hearing shall notify this agency in writing by five working days prior to the hearing of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. The hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through June 30, 2023 at 11:59 p.m., eastern time. Send written notification of the intent to be head at the

public hearing or written comments on the proposed administrative regulation by the above date to the contact person below:

CONTACT PERSON: Molly B. Cassady, General Counsel, Department of Housing, Buildings and Construction, Mero St., Kentucky 40601, phone 502-782-5448, fax 502-573-1057; email molly.cassady@ky.gov.

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Contact Person: Molly B. Cassady

(1) Provide a brief summary of:

(a) What this administrative regulation does:

This administrative regulation establishes the requirements for retailers to obtain a license to sell recreational vehicles and the standards for issuing a certificate of acceptability to manufacturers of recreational vehicles.

(b) The necessity of this administrative regulation:

KRS 227.590(1) requires the Department of Housing, Buildings and Construction to promulgate administrative regulations reasonably necessary to effectuate KRS 227.550 to 227.660. KRS 227.570(1)(a) requires the department to promulgate administrative regulations establishing a process for licensing retailers and issuing certificates of acceptability to qualifying manufacturers. KRS 227.620(2) requires the department to promulgate administrative regulations establishing application and fee requirements for a retailer's license. KRS 227.620(4)(a) requires the department to establish fees for a retailer's license, manufacturer's "certificate of acceptability," and "Class B," "Class B1," and "Class B2" seals, in accordance with KRS 227.620(4)(a) 1. to 4.

(c) How this administrative regulation conforms to the content of the authorizing statutes:

KRS 227.590(1) requires the Department of Housing, Buildings and Construction to promulgate administrative regulations reasonably necessary to effectuate KRS 227.550 to 227.660. KRS 227.570(1)(a) requires the department to promulgate administrative regulations establishing a process for licensing retailers and issuing certificates of acceptability to qualifying manufacturers. KRS 227.620(2) requires the department to promulgate administrative regulations establishing application and fee requirements for a retailer's license. KRS 227.620(4)(a) requires the department to establish fees for a retailer's license, manufacturer's "certificate of acceptability," and "Class B," "Class B1," and "Class B2" seals, in accordance with KRS 227.620(4)(a) 1. to 4.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes:

This administrative regulation establishes the requirements for retailers to obtain a license to sell recreational vehicles and the standards for issuing a certificate of acceptability to manufacturers of recreational vehicles in accordance with KRS 227.590(1); KRS 227.570(1)(a); and 227.620(4)(a).

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

(a) How the amendment will change this existing administrative regulation:

This amendment removes language related to KRS 164.772, which was repealed in 2019, from forms.

(b) The necessity of the amendment to this administrative regulation:

This amendment is necessary to update forms and assist in streamlining the application and renewal processes for licensees and certificate holders.

(c) How the amendment conforms to the content of the authorizing statutes:

KRS 227.590 requires the Department of Housing, Buildings and Construction to promulgate administrative regulations reasonably necessary to effectuate KRS 227.550 to 227.660. KRS 227.570(4) requires the department to promulgate administrative regulations to establish standards for the certified installer seal program.

(d) How the amendment will assist in the effective administration of the statutes:

This amendment will assist in making updates to forms and in streamlining the application and renewal processes for licensees and certificate holders.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation:

Manufacturers and retailers of recreational vehicles are affected by this administrative regulation. The Department of Housing, Buildings and Construction is also affected by this administrative regulation.

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

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment:

Manufacturers and retailers of recreational vehicles will be required to utilize the amended forms to comply with this amendment.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3):

This amendment does not establish or increase a fee.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3):

The recreational vehicle certificate and license application and renewal process shall be streamlined.

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

(a) Initially:

There are no anticipated additional costs to implement this administrative regulation initially.

(b) On a continuing basis:

There are no anticipated additional costs to implement this administrative regulation on a continuing basis.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation:

Funding for implementation and enforcement of this administrative regulation will be met with existing agency funds.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment:

This amendment will not require the agency to establish new fees or increase existing fees for implementation.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees:

This amendment does not establish new fees or increase existing fees.

(9) TIERING: Is tiering applied?

Tiering is not applied as all regulated entities are subject to the same amended requirements.

FISCAL NOTE

(1) What units, parts, or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation?

The Department of Housing, Buildings and Construction.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation.

KRS 227.570(1)(a) KRS 227.590; and KRS 227.620(4)(a).

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

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year?

This amendment is not anticipated to generate additional revenue for state or local government in the first year.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years?

This amendment is not anticipated to generate additional revenue for state or local government in subsequent years.

(c) How much will it cost to administer this program for the first year?

There are no anticipated additional costs to administer this amendment in the first year.

(d) How much will it cost to administer this program for subsequent years?

There are no anticipated additional costs to administer this amendment for subsequent years.

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

Revenues (+/-):Neutral

Expenditures (+/-):Neutral

Other Explanation:

None.

(4) Estimate the effect of this administrative regulation on the expenditures and cost savings of regulated entities for the first full year the administrative regulation is to be in effect.

(a) How much cost savings will this administrative regulation generate for the regulated entities for the first year?

This administrative regulation is not anticipated to result in cost savings for the regulated entities for the first year.

(b) How much cost savings will this administrative regulation generate for the regulated entities for subsequent years?

This administrative regulation is not anticipated to result in cost savings for the regulated entities for subsequent years.

(c) How much will it cost the regulated entities for the first year?

There are no anticipated costs to the regulated entities for the first year.

(d) How much will it cost the regulated entities for subsequent years?

There are no anticipated costs to the regulated entities for subsequent years.

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

Cost Savings (+/-):Neutral

Expenditures (+/-):Neutral

Other Explanation:

None.

(5) Explain whether this administrative regulation will have a major economic impact, as defined below.

"Major economic impact" means an overall negative or adverse economic impact from an administrative regulation of five hundred thousand dollars (\$500,000) or more on state or local government or regulated entities, in aggregate, as determined by the promulgating administrative bodies. [KRS 13A.010(13)] This administrative regulation will not have a major economic impact, as defined above.