

1 AN ACT relating to professions licensed by the Real Estate Authority.

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

3 ➔Section 1. KRS 324.085 is amended to read as follows:

- 4 (1) **(a)** All actively licensed agents, except those licensees exempt under KRS
5 324.046(5) **and those licensees satisfying the educational requirement in**
6 **subsection (2) of this section**, shall successfully complete **twelve (12)**~~six (6)~~
7 classroom or online hours of continuing education **for the biennial license**
8 **period**~~each year~~. **Six (6) of the twelve (12) hours shall be completed in the**
9 **first year of the biennial license period or the license shall be automatically**
10 **cancelled.**
- 11 **(b)** **Six (6)**~~Three (3)~~ of the **twelve (12)**~~six (6)~~ hours **of continuing education**
12 shall be in real estate law.
- 13 **(c)** **A licensee may accumulate additional continuing education hours for the**
14 **biennial period in the first year of the biennial term.**
- 15 (2) A licensee who is issued an initial sales associate license after January 1, 2016, shall
16 complete forty-eight (48) classroom or online hours of commission-approved post-
17 license education:
- 18 (a) Provided by one (1) or a combination of the following:
- 19 1. An accredited institution; or
- 20 2. A commission-approved:
- 21 a. Real estate school; or
- 22 b. Broker-affiliated training program; and
- 23 (b) Within two (2) years of receiving or activating his or her license unless
24 extended by the commission for good cause shown.
- 25 (3) The license held by any licensee failing to complete his or her sales associate post-
26 license education requirements in accordance with subsection (2) of this section
27 shall be automatically canceled, in accordance with administrative regulations

1 establishing compliance and delinquency procedures.

2 (4) The commission shall promulgate administrative regulations to establish procedures
3 for implementing the requirements in this section.

4 (5) In order to qualify to teach continuing education or post-license courses, all
5 continuing education and post-license instructors shall maintain a minimum rating
6 as prescribed by the commission by the promulgation of administrative regulations.

7 ➔Section 2. KRS 324.090 is amended to read as follows:

8 (1) Licenses shall expire biennially~~annually~~ and shall be renewed every two (2)
9 years~~each year~~ on the date determined by the commission by administrative
10 regulation. The commission shall renew a license for two (2) years~~each ensuing~~
11 ~~year~~, in the absence of any reason or condition which might warrant the refusal of
12 the granting of the license, upon receipt of the written request of the applicant and
13 payment of the biennial~~annual~~ fees required. A new license shall be mailed only if
14 the licensee's name, address, status, or affiliation changes.

15 (2) A fine not to exceed two hundred dollars (\$200) shall be assessed for failure to
16 renew on time before a new license is issued. Failure to receive a renewal form shall
17 not constitute an adequate excuse for failure to renew on time nor shall failure of
18 the mail.

19 (3) Any license not renewed at the end of the biennial license period~~renewal year~~ as
20 prescribed by the commission shall automatically revert to expired status. An
21 expired license may be reactivated before a lapse of one (1) year, if delinquent fees
22 are paid by the licensee.

23 ➔Section 3. KRS 324.281 is amended to read as follows:

24 (1) There is hereby created the Kentucky Real Estate Commission. The Governor shall
25 appoint seven (7)~~five (5)~~ persons, at least six (6)~~four (4)~~ of whom, immediately
26 prior to the date of their appointment have been residents of the state for ten (10)
27 years and whose vocation for a period of at least ten (10) years shall have been that

1 of an active real estate licensee. One (1) member shall be a citizen at large who is
2 not associated with or financially interested in the practice or business regulated.
3 The term of the members of the commission shall be for three (3) years and until
4 their successors are appointed and qualify, except as provided in subsections (2) and
5 (3) of this section. A majority of the commission shall constitute a quorum for the
6 transaction of business.

7 (2) All appointments shall be for the specified three (3) year term. No person appointed
8 after July 14, 2000, shall serve more than two (2) consecutive terms.

9 (3) For each appointment or vacancy, the Kentucky Association of Realtors shall within
10 sixty (60) days supply a list of not less than three (3) names of licensees to the
11 Governor each year from which the broker or sales associate appointments shall be
12 made. The Governor may reject the list of three (3) names and request that the
13 Kentucky Association of Realtors submit a new list of three (3) names within sixty
14 (60) days of the Governor's request. If the Kentucky Association of Realtors fails to
15 timely submit this list to the Governor, the Governor may immediately appoint a
16 qualified person to fill this vacancy. The Governor may otherwise fill vacancies
17 arising in the middle of the year from those remaining on the list or from a new list
18 supplied by the association.

19 (4) There shall not be more than **four (4)**~~three (3)~~ members of any one (1) political
20 party serving on the commission at the same time. No member of the commission
21 shall reside in the same county as another member. Appointees to fill vacancies
22 shall be appointed for the unexpired term.

23 (5) It shall be the duty of the commission to:

24 (a) Promulgate administrative regulations, with the approval of the executive
25 director of the Kentucky Real Estate Authority;

26 (b) Hold disciplinary hearings concerning matters in controversy as provided by
27 this chapter;

- 1 (c) Conduct examinations for applicants eligible under this chapter or
2 alternatively to contract with an entity to conduct examinations;
- 3 (d) Conduct necessary educational seminars and courses directed toward
4 continuing education within the real estate field;
- 5 (e) Investigate or cause to be investigated any irregularities in violation of this
6 chapter or the promulgated and authorized administrative regulations of the
7 commission; and
- 8 (f) Participate with any other agency of the Commonwealth or the authorized
9 agency of another state for the betterment or improvement of the
10 administration of the statutes or administrative regulations governing this
11 commission.

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

14 (6) The commission, at its discretion, may use the funds necessary to purchase liability
15 insurance for members and executive officers of the commission, inspectors, and
16 for members of the staff exempted from classified service of the state by KRS
17 18A.115.

18 (7) The commission shall require all actively-licensed agents, except for those agents
19 who were licensed prior to June 19, 1976, to successfully complete mandatory
20 continuing education as a condition of license renewal.

21 (8) The commission shall, by the promulgation of administrative regulations, develop a
22 review process by which continuing education courses may be approved for credit.
23 An applicant may seek the commission's approval for credit for courses not
24 previously approved by the commission by submitting sufficient information
25 describing the course to the commission for review.

26 (9) The Governor shall set the compensation of the members of the commission, but
27 voting members of the commission shall be compensated no less than three hundred

1 dollars (\$300) per day for official business, subject to an annual maximum of six
 2 thousand dollars (\$6,000). Members shall be reimbursed for all expenses paid and
 3 incurred in the discharge of official business consistent with the reimbursement
 4 policy for state employees. With the approval of the executive director of the
 5 Kentucky Real Estate Authority within the Department of Professional Licensing,
 6 commission members and commission staff may attend and travel to and from
 7 meetings and events relevant to the commission or to the industry the commission
 8 represents.

9 ➔Section 4. KRS 324.287 is amended to read as follows:

10 The commission shall set, charge, and collect the following fees:

- 11 (1) Examination fee, not to exceed one hundred dollars (\$100);~~[-]~~
- 12 (2) Broker's and sales associate's original **biennial** license fee, not to exceed **sixty**
 13 **dollars (\$60)**;~~[thirty dollars (\$30).]~~
- 14 (3) Broker's and sales associate's **biennial** renewal fee, not to exceed **sixty dollars**
 15 **(\$60)**;~~[thirty dollars (\$30).]~~
- 16 (4) **(a)** Transfer from one (1) principal broker to another, not to exceed ten dollars
 17 (\$10).
- 18 **(b) If the transfer is initiated by the principal broker for twenty (20) or more**
 19 **licensees, the transfer fee shall not exceed two hundred dollars (\$200);**
- 20 (5) **Reactivation fee, not to exceed ten dollars (\$10);**
- 21 **(6)** Certification of status with the commission, ten dollars (\$10);~~[-]~~
- 22 ~~**(7)**~~~~[(6)]~~ Request for any change, not to exceed ten dollars (\$10);~~[-]~~
- 23 ~~**(8)**~~~~[(7)]~~ **Biennial recovery fund fee**~~[Recovery fund]~~, not to exceed **sixty dollars**
 24 **(\$60)**;~~[thirty dollars (\$30).]~~
- 25 ~~**(9)**~~~~[(8)]~~ **Prelicensing education course review fee, not to exceed two hundred dollars**
 26 **(\$200);**
- 27 **(10) Continuing and postlicensing education course review fee, not to exceed fifty**

1 dollars (\$50); and

2 (11) Distance education course review fee, not to exceed seventy-five dollars
 3 (\$75)~~[Broker's and associate's applicant license criminal record check fee, not to~~
 4 ~~exceed thirty dollars (\$30)].~~

5 ➔Section 5. KRS 324.310 is amended to read as follows:

- 6 (1) If any sales associate is discharged or terminates his or her association with the
 7 principal broker, it shall be the duty of the broker to immediately deliver or mail to
 8 the commission the sales associate's license in a manner that complies with KRS
 9 324.312, along with the release statement signed by the principal broker. The broker
 10 shall, at the time of mailing the sales associate's license to the commission, address
 11 a communication to the last known residence address of the sales associate, which
 12 shall advise the sales associate that his or her license has been delivered or mailed
 13 to the commission. A copy of the communication to the sales associate shall
 14 accompany the license when mailed or delivered to the commission. It shall be
 15 unlawful for any sales associate to perform any of the acts contemplated by this
 16 chapter either directly or indirectly under authority of the sales associate's license
 17 from and after the date of receipt of the license from the broker by the commission.
- 18 (2) A licensee may place his or her license in inactive status~~[eserow]~~ with the
 19 commission provided that:
- 20 (a) The licensee does not engage in any real estate activity for others during the
 21 term of inactive status~~[eserow]~~ of the license;~~[and]~~
- 22 (b) The licensee pays the biennial~~[annual]~~ license renewal fees for each biennial
 23 renewal period~~[year]~~ the license is in inactive status; and~~[eserow]~~
- 24 (c) The licensee obtains extended reporting period coverage insurance for one
 25 (1) year at the current minimum requirements then in effect prior to
 26 entering inactive status.
- 27 (3) At the request of the licensee, after complying with subsection (4) of this section

1 and upon the meeting of requirements applicable to active licensees, the
 2 commission shall reactivate a license placed in inactive status, in the absence of
 3 any reason or condition which might warrant the refusal of the granting of a
 4 license~~[and completion of all continuing education requirements, a license placed~~
 5 ~~in eserow shall be automatically converted to an active license upon payment of the~~
 6 ~~established change fee].~~

7 **(4) To reactivate a license, a licensee shall:**

8 **(a) Submit an acceptable criminal record check consistent with KRS**
 9 **324.045(4);**

10 **(b) Complete all continuing education requirements required by the**
 11 **commission; and**

12 **(c) Pay the applicable reactivation fees.**

13 ➔Section 6. KRS 324.330 is amended to read as follows:

14 (1) Notice in writing shall be given to the commission by each licensee of any change
 15 of principal business location, a change of firm name, sales associate's transfer from
 16 one (1) principal broker to another, or a change of surname. The commission shall
 17 issue a new license for the unexpired period and shall charge the fee as provided in
 18 KRS 324.287(7)~~[(6)]~~ for effecting the change on its records. This section shall
 19 apply to both brokers and sales associates.

20 (2) The commission shall be notified in writing of a change of a residence address
 21 within ten (10) days.

22 (3) A fee shall be assessed for certification of a licensee's status with the commission.

23 (4) The commission shall, by the promulgation of administrative regulations, require all
 24 licensees to file with the commission, at biennial~~[annual]~~ renewal, their telephone
 25 numbers and, if applicable, their electronic mail addresses.

26 ➔Section 7. KRS 324.395 is amended to read as follows:

27 (1) All real estate licensees, except those whose licenses are in inactive status~~[eserow]~~

- 1 in accordance with KRS 324.310(2), shall carry errors and omissions insurance to
2 cover all activities contemplated under this chapter. **Inactive licensees shall obtain**
3 **extended reporting period coverage insurance for one (1) year at the current**
4 **minimum requirements then in effect prior to entering inactive status.**
- 5 (2) The commission shall make the insurance mandated under this section available to
6 all licensees by contracting with an insurance provider for a group policy, after
7 competitive, sealed bidding in accordance with KRS Chapter 45A.
- 8 (3) Any policy obtained by the commission shall be available to all licensees with no
9 right on the part of the insurance provider to cancel any licensee.
- 10 (4) Licensees shall have the option of obtaining **the required**~~errors and omissions~~
11 insurance independently, if the coverage contained in the policy and the financial
12 condition of the insurance company complies with the minimum requirements
13 established by the commission.
- 14 (5) The commission shall determine the terms and conditions of coverage mandated
15 under this section, including, but not limited to, the minimum limits of coverage,
16 the permissible deductible, and permissible exemptions.
- 17 (6) Each licensee shall be notified of the required terms and conditions of coverage for
18 the **biennial**~~annual~~ policy at least thirty (30) days prior to the **biennial**~~annual~~
19 license renewal date. A certificate of coverage, showing compliance with the
20 required terms and conditions of coverage, shall be filed with the commission by
21 the **biennial**~~annual~~ license renewal date by each licensee who opts not to
22 participate in the group insurance program administered by the commission.
- 23 (7) If the commission is unable to obtain **the**~~errors and omissions~~ insurance coverage
24 **required by subsection (1) of this section** to insure all licensees who choose to
25 participate in the group insurance program at a reasonable annual premium, not to
26 exceed two hundred dollars (\$200) **per year for required insurance coverage and**
27 **not to exceed two hundred dollars (\$200) per year for extended reporting period**

1 coverage, then the insurance requirement mandated by this section shall be void
 2 during the applicable contract year.

3 ➔Section 8. KRS 324.400 is amended to read as follows:

- 4 (1) There is hereby created and established in the State Treasury the real estate
 5 education, research, and recovery fund.
- 6 (2) In addition to the license fees provided for in KRS 324.287, upon renewal of every
 7 broker's and sales associate's license, as well as any and all other types of licenses, if
 8 any, issued by the commission, as of June 30, 1972, and every regular
 9 biennial~~annual~~ renewal date thereafter, the commission shall charge each of the
 10 aforesaid licensees an amount not to exceed sixty dollars (\$60)~~thirty dollars (\$30)~~
 11 per year to be included in the real estate education, research, and recovery fund.
 12 Each and every original applicant for a license after July 1, 1972, shall likewise
 13 submit to the commission an additional fee not to exceed sixty dollars (\$60)~~of~~
 14 ~~thirty dollars (\$30)~~ to be deposited in the real estate education, research, and
 15 recovery fund and shall also be subjected thereafter to a biennial~~an annual~~
 16 renewal fee as of the regular renewal period.

17 ~~[(3) In addition to the license fees provided for in KRS 324.287, the commission, based~~
 18 ~~upon its own discretion as to need, may assess each licensee upon renewal an~~
 19 ~~amount less than thirty dollars (\$30) per year, or nothing, but not more. Each~~
 20 ~~original applicant must pay the original amount of thirty dollars (\$30), but on~~
 21 ~~renewal will be subjected to the same renewal amount as other licensees.]~~

22 ➔Section 9. KRS 324.420 is amended to read as follows:

- 23 (1) An aggrieved party may commence an administrative action which may result in
 24 collection from the recovery fund by first filing a complaint with the commission on
 25 a form prepared by the commission. The complaint shall constitute a prima facie
 26 case that a licensee is in violation of KRS 324.160 and is subject to the same
 27 conditions set forth in KRS 324.150. If the complaint constitutes a prima facie case

1 and the matter is not settled, the commission shall hold a hearing pursuant to the
2 requirements set forth in the provisions of this chapter and KRS Chapter 13B to
3 determine if a violation of this chapter has in fact occurred. If a violation of fraud is
4 so found, the commission shall determine if the violation resulted in damages to
5 complainant and in what amount. If damages cannot be accurately determined, then
6 the amount of damages shall be determined by a Circuit Court in the county where
7 the violation took place. In the event the question of damages is referred to the
8 Circuit Court, the decision of the commission will not be final and appealable until
9 the question of damages is certifiable.

10 (2) Upon final order by the commission or upon certification to the commission by the
11 Circuit Court on the issue of damages, and after the licensee has refused to pay the
12 claim within a period of twenty (20) days of entry of a final order, the aggrieved
13 party or parties shall be paid the amount or amounts by the commission from the
14 recovery fund.

15 (3) The license of the licensee against whom the claim was made by the aggrieved party
16 shall be suspended or may be permanently revoked until such time as the licensee
17 has reimbursed the recovery fund in full for all amounts paid, plus interest at the
18 rate of ten percent (10%) per annum.

19 (4) Any party aggrieved by a final order of the commission may appeal to the Circuit
20 Court where the licensee has his principal place of business or where the applicant
21 resides in accordance with KRS Chapter 13B.

22 (5) Upon the final order of the court, and after the commission has paid from the real
23 estate education, research, and recovery fund any sum to the aggrieved party, the
24 commission shall be subrogated to all of the rights of the aggrieved party to the
25 extent of the payment. The aggrieved party shall to the extent of the payment assign
26 his right, title and interest in the judgment to the commission. After such
27 assignment, the commission may challenge in bankruptcy court any attempt by a

- 1 former licensee to discharge the debt, if proper notice is given. Any funds recovered
2 by the commission shall be deposited in the real estate education, research, and
3 recovery fund.
- 4 (6) No aggrieved party shall be entitled to recover compensation from the real estate
5 education, research, and recovery fund unless the action against the licensee is
6 commenced within one (1) year~~[two (2) years]~~ from actual knowledge of the cause
7 of action or from the time when circumstances should reasonably have put the
8 aggrieved party on notice of the cause of action.
- 9 (7) An aggrieved party shall not be entitled to recover compensation from the real
10 estate education, research, and recovery fund, unless the compensation is for the
11 actual financial harm suffered by the aggrieved party, and this financial harm is
12 specifically and directly related to the property.
- 13 (8) For purposes of this section, an "aggrieved party" shall mean either:
- 14 (a) A member of the consumer public who stands in a direct relationship to the
15 licensee, i.e., one who demonstrates an interest in purchasing, leasing, renting,
16 or otherwise securing an interest in real estate through a licensee and who
17 believes that the licensee is in violation of the provisions of this chapter; or
- 18 (b) A member of the consumer public who directly engages the services of a
19 licensee for purposes of selling, leasing, renting, or otherwise dealing in his or
20 her own property.
- 21 (9) If at any time the money on deposit in the real estate education, research and
22 recovery fund is insufficient to satisfy any duly-authorized claim or portion thereof,
23 the commission shall, when sufficient money has been deposited in the real estate
24 education, research, and recovery fund, satisfy such unpaid claim or portions
25 thereof, in the order that such claims or portions were originally filed, plus
26 accumulated interest at the rate of ten percent (10%) per annum.
- 27 (10) Any funds in excess of the four hundred thousand dollar (\$400,000) level which are

1 not being currently used, may be invested and reinvested as set forth in subsection
2 (2) of KRS 324.410.

3 ➔Section 10. KRS 413.140 is amended to read as follows:

- 4 (1) The following actions shall be commenced within one (1) year after the cause of
5 action accrued:
- 6 (a) An action for an injury to the person of the plaintiff, or of her husband, his
7 wife, child, ward, apprentice, or servant;
 - 8 (b) An action for injuries to persons, cattle, or other livestock by railroads or other
9 corporations, with the exception of hospitals licensed pursuant to KRS
10 Chapter 216;
 - 11 (c) An action for malicious prosecution, conspiracy, arrest, seduction, criminal
12 conversation, or breach of promise of marriage;
 - 13 (d) An action for libel or slander;
 - 14 (e) An action against a physician, surgeon, dentist, or hospital licensed pursuant
15 to KRS Chapter 216, for negligence or malpractice;
 - 16 (f) A civil action, arising out of any act or omission in rendering, or failing to
17 render, professional services for others, whether brought in tort or contract,
18 against a real estate appraiser holding a certificate or license issued under
19 KRS Chapter 324A *or a real estate broker or sales associate holding a*
20 *license issued under KRS Chapter 324;*
 - 21 (g) An action for the escape of a prisoner, arrested or imprisoned on civil process;
 - 22 (h) An action for the recovery of usury paid for the loan or forbearance of money
23 or other thing, against the loaner or forbearer or assignee of either;
 - 24 (i) An action for the recovery of stolen property, by the owner thereof against any
25 person having the same in his possession;
 - 26 (j) An action for the recovery of damages or the value of stolen property, against
27 the thief or any accessory;

- 1 (k) An action arising out of a detention facility disciplinary proceeding, whether
2 based upon state or federal law;
- 3 (l) An action for damages arising out of a deficiency, defect, omission, error, or
4 miscalculation in any survey or plat, whether brought in tort or contract,
5 against a licensed professional land surveyor holding a license under KRS
6 Chapter 322; and
- 7 (m) An action for violating KRS 311.782.
- 8 (2) In respect to the action referred to in paragraph (e) of subsection (1) of this section,
9 the cause of action shall be deemed to accrue at the time the injury is first
10 discovered or in the exercise of reasonable care should have been discovered;
11 provided that such action shall be commenced within five (5) years from the date on
12 which the alleged negligent act or omission is said to have occurred.
- 13 (3) In respect to the action referred to in paragraph (f) or (l) of subsection (1) of this
14 section, the cause of action shall be deemed to accrue within one (1) year from the
15 date of the occurrence or from the date when the cause of action was, or reasonably
16 should have been, discovered by the party injured.
- 17 (4) In respect to the action referred to in paragraph (h) of subsection (1) of this section,
18 the cause of action shall be deemed to accrue at the time of payment. This limitation
19 shall apply to all payments made on all demands, whether evidenced by writing or
20 existing only in parol.
- 21 (5) In respect to the action referred to in paragraph (i) of subsection (1) of this section,
22 the cause of action shall be deemed to accrue at the time the property is found by its
23 owner.
- 24 (6) In respect to the action referred to in paragraph (j) of subsection (1) of this section,
25 the cause of action shall be deemed to accrue at the time of discovery of the
26 liability.
- 27 (7) In respect to the action referred to in paragraph (k) of subsection (1) of this section,

1 the cause of action shall be deemed to accrue on the date an appeal of the
2 disciplinary proceeding is decided by the institutional warden.

3 (8) In respect to the action referred to in subsection (1)(m) of this section, the cause of
4 action shall be deemed to accrue after the performance or inducement or attempt to
5 perform or induce the abortion.

6 ➔Section 11. KRS 198B.724 is amended to read as follows:

7 The board shall promulgate administrative regulations concerning the continuing
8 education required for the renewal of a home inspector license and shall:

9 (1) Establish procedures for approving organizations that provide continuing
10 education;~~and~~

11 (2) Prescribe the content, duration, and organization of continuing education courses
12 that contribute to the competence of home inspectors; and

13 **(3) The board may allow up to six (6) continuing education hours to be in real estate**
14 **as authorized in Section 1 of this Act.**

15 ➔Section 12. KRS 324A.045 is amended to read as follows:

16 (1) The board shall issue to each qualified applicant a certificate or license in form and
17 size as shall be prescribed by the board.

18 (2) (a) Every certificate and license shall be subject to annual renewal on the date or
19 dates determined by the board by administrative regulation.

20 (b) 1. Each certificate and license holder shall submit proof of compliance
21 with the continuing education requirements when appropriate and the
22 annual renewal fee to the board on or before the last day of the
23 designated month.

24 **2. The board may allow up to six (6) continuing education hours to be in**
25 **real estate as authorized by Section 1 of this Act.**

26 (c) Failure to receive a renewal form shall not constitute an adequate excuse for
27 failure to renew on time.

1 (3) If the certificate or license holder fails to renew in a timely manner, the certificate or
2 license shall expire. Within six (6) months after the renewal date, the former
3 certificate or license holder shall be reinstated by complying with all appropriate
4 renewal requirements and paying a late fee not to exceed two hundred dollars
5 (\$200).

6 (4) If six (6) months or more elapse after the renewal date, the former certificate or
7 license holder shall be required to meet all current requirements as if applying for
8 initial certification or licensure.

9 ➔Section 13. KRS 330.070 is amended to read as follows:

10 (1) An apprentice auctioneer applying for an auctioneer license shall, subject to the
11 provisions of KRS 330.060:

12 (a) Possess a current Kentucky apprentice auctioneer license;

13 (b) Serve an apprenticeship for a period of one (1) year as an apprentice
14 auctioneer in Kentucky;

15 (c) Submit a statement to the board, signed by the principal auctioneer, verifying
16 that the applicant has actively and materially participated in at least ten (10)
17 auctions prior to application; and

18 (d) Successfully complete at least eighty (80) hours of approved classroom
19 instruction from a board-approved auction education provider. The board may
20 waive the eighty (80) hours of approved classroom instruction requirement if
21 the applicant demonstrates sufficient previous auction experience and
22 competency by affidavit or other evidence as required by the board.

23 (2) An apprentice auctioneer with an original license issued prior to June 30, 2010, or
24 after July 1, 2015, shall be required to successfully complete the auctioneer
25 examination.

26 (3) If an applicant for an auctioneer license resides in a state which does not have a
27 current reciprocity agreement with the board, the board may waive the eighty (80)

1 hour education requirement or the apprenticeship requirement, or both, if the
2 applicant demonstrates sufficient previous auction experience and competency by
3 affidavit or by other evidence as required by the board.

4 (4) An applicant for an auctioneer license who has previously held an auctioneer license
5 which has been revoked, suspended, or which has expired without renewal may
6 request, and the board may grant, a waiver of the requirement of possession of a
7 current apprentice license.

8 (5) Every application for a license issued by the board shall be submitted on forms
9 prepared by the board. Each applicant shall furnish pertinent background data as
10 outlined on those forms.

11 (6) The board shall promulgate administrative regulations in accordance with KRS
12 Chapter 13A to establish an initial license fee and annual renewal license fee,
13 neither of which shall exceed one hundred fifty dollars (\$150).

14 (a) All licenses shall expire on the thirtieth day of June.

15 (b) Each license shall be renewed on or before the expiration date.

16 (c) In addition to the renewal fee, a late fee shall be established by administrative
17 regulations promulgated by the board on each license renewed within six (6)
18 months after the expiration date.

19 (d) In the absence of any reason or condition which might warrant the refusal of
20 renewing a license, and upon timely receipt of the renewal form and the
21 annual fee, the board shall issue a license for the ensuing year.

22 (7) (a) The board may require as a condition precedent to the renewal of any license,
23 that each licensee complete continuing education up to ten (10) hours per
24 license year **and allow up to six (6) hours of continuing education to be in**
25 **real estate as authorized by Section 1 of this Act.** The board may impose
26 different continuing education requirements upon different classifications of
27 licenses under this chapter. The continuing education requirements in this

1 subsection shall not apply to those auctioneers licensed prior to January 1,
2 1980.

3 (b) A licensee who has not completed the required continuing education may,
4 within the time period set forth in subsection (6) of this section, remit a fee
5 established by administrative regulations promulgated by the board with the
6 applicable renewal fees, and the continuing education reporting requirement
7 shall be deferred to the next annual renewal. If the licensee fails to meet the
8 continuing education requirement for the next annual renewal, the licensee
9 shall successfully complete the examination before renewal of his or her
10 license.

11 (c) 1. The board may require all licensees to complete a six (6) hour board-
12 approved core course once every four (4) years, that includes the core
13 subjects of Kentucky auction statutes and regulations, ethics, and any
14 other subject matter deemed appropriate by the board.

15 2. Effective July 1, 2016, each licensee with at least twenty-five (25) years
16 of continuous licensure shall be exempt from the requirements of this
17 paragraph.

18 (8) The board shall prepare and deliver to each licensee a pocket license. The pocket
19 license of the apprentice auctioneer shall contain the name and address of his or her
20 principal auctioneer. The board shall also prepare and deliver a license to each
21 auction house operator.

22 (a) Auction house operators shall display their licenses conspicuously and at all
23 times in the auction house identified on the license.

24 (b) All licensees shall carry their pocket licenses, or a digital facsimile thereof,
25 when performing auctioneering tasks, to be shown upon request.

26 (c) A license or pocket license shall be replaced upon the request of the licensee
27 and payment of a replacement fee established by administrative regulations

1 promulgated by the board in accordance with KRS Chapter 13A.

2 (9) When an apprentice auctioneer is discharged or voluntarily terminates employment
3 with the auctioneer for any reason:

4 (a) It shall be the immediate duty of the principal auctioneer to deliver to the
5 board a written release of the apprentice auctioneer; and

6 (b) The apprentice auctioneer shall affiliate with a principal auctioneer within
7 thirty (30) days by submitting to the board an affiliation letter signed by the
8 new principal auctioneer and a fee established by administrative regulations
9 promulgated by the board in accordance with KRS Chapter 13A.

10 An apprentice auctioneer shall not perform any of the acts regulated by this chapter
11 until receiving a new license bearing a new principal auctioneer's name and address.

12 (10) (a) A licensee may place his or her license in escrow with the board if the licensee
13 does not engage in any board-regulated auctioneering activity and continues to
14 pay the annual renewal license fee.

15 (b) For each year the license is in escrow, a licensee shall be exempt from the
16 contribution to the auctioneer's education, research, and recovery fund and the
17 continuing education requirement.

18 (c) To reactivate a license in escrow, the licensee shall complete the core course
19 and pay a reactivation fee and the annual renewal recovery fee, both of which
20 shall be established by administrative regulations promulgated by the board in
21 accordance with KRS Chapter 13A.

22 (11) Notice in writing shall be given to the board by each licensee of any change of
23 principal business location or residence address within ten (10) days of the change,
24 and the board shall issue an updated license for the unexpired period. The board
25 may fine, suspend, or revoke the license of a licensee who does not notify the board
26 of a change of address within ten (10) days. Changing a business or a residence
27 address on its records shall entitle the board to collect a fee established by

1 administrative regulations promulgated by the board in accordance with KRS
2 Chapter 13A.

3 ➔Section 14. The following KRS section is repealed:

4 324A.060 Goods and services -- Administrative coordinator.

5 ➔Section 15. Sections 1, 2, and 4 of this Act shall be effective January 1, 2020.