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regulation, if new, or by the change if it is an amendment: No increase in fees or funding will be needed to implement this regulation.

- (8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: This regulation does not establish any fees or directly or indirectly increase fees.
- (9) TIERING: Is tiering applied? Tiering was not appropriate in this administrative regulation because the administrative regulation applies equally to all schools and local education agencies.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

- (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? Local education agencies and KDE.
- (2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 156.160 requires the Kentucky Board of Education to promulgate administrative regulations relating to the courses of study for the different grades and the minimum requirements for high school graduation. KRS 158.142(3) (b) requires the board to promulgate administrative regulations establishing requirements for early graduation from high school. The content standards for the courses of study are established in the Kentucky core academic standards incorporated by reference in 704 KAR 003:303 and 704 KAR Chapter 8. This administrative regulation establishes the minimum requirements necessary for entitlement to a high school diploma.
- (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? No revenue
- (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? No revenue.
- (c) How much will it cost to administer this program for the first year? Staffing patterns at the local district may need to be adjusted in light of new requirements and student needs. Local district and school staff time will be impacted through the appeals portfolio review process. Local district budgets will be impacted by the need for resources to support interventions for students who need them. KDE staff time will be impacted creating guidance for implementation and answering questions from the field. Assessment cost may increase due to the opportunity for students to repeat reading and mathematics assessments several times.
- (d) How much will it cost to administer this program for subsequent years? Staffing patterns at the local district may need to be adjusted in light of new requirements and student needs. Local district and school staff time will be impacted through the appeals portfolio review process. Local district budgets will be impacted by the need for resources to support interventions for students who need them. KDE staff time will be impacted creating guidance for implementation and answering questions from the field. That impact will decrease each year of implementation. Assessment cost may increase due to the opportunity for students to repeat reading and mathematics assessments several times.

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

Revenues (+/-): N/A Expenditures (+/-): NA Other Explanation: N/A PUBLIC PROTECTION CABINET Kentucky Real Estate Authority Kentucky Board of Home Inspectors (Amended After Comments)

815 KAR 006:010. <u>Licensing requirements</u>[Home inspector licensing requirements and maintenance of records].

RELATES TO: KRS 198B.700, 198B.706, 198B.712, 198B.714, 198B.716, 198B.722, 198B.724, 198B.738

STATUTORY AUTHORITY: KRS 198B.706, 198B.722

NECESSITY, FUNCTION, AND CONFORMITY: 198B.706(1) and (15) requires the Kentucky Board of Home Inspectors, with the approval of the executive director of the Kentucky Real Estate Authority, to promulgate administrative regulations to carry out the effective administration and requirements[necessary to enforce the provisions] of KRS 198B.700 to 198B.738 and to determine the[establish] requirements and prescribe forms and applications for licensing.[and certification as well as prescribing forms and applications. KRS 198B.706(7) requires the board to promulgate administrative regulations to provide for the inspection of the records of a licensee. KRS 198B.706(11) requires the board to establish continuing education requirements.] KRS 198B.722(7) authorizes[requires] the board to establish requirements for licensure renewal[of licenses] and authorizes the board to establish an inactive license. This administrative regulation establishes[the] licensure[and record] requirements for home inspectors.

Section 1. Application Requirements.

- (1) An applicant for an initial[a] home inspector license shall submit
 - (a) A completed Application for Licensure, form KBHI-1;
- (b) A two (2) inch by two (2) inch passport photograph taken within the past six (6) months and affixed to the application form:
- (c) A certificate of <u>board-approved prelicensing</u> course completion and the applicant's <u>passing</u> national examination test score <u>from an examination administered by a board-approved test provider;</u>
- (d) A certificate of <u>liability</u> insurance <u>pursuant to KRS</u> 198B.712(3)(d), verifying continuous coverage;
- (e) If applicable, other state or local licensure, certification, registration, or permit;
- (f) <u>Two criminal[A recent]</u> background <u>checks, both completed</u> no more than ninety (90) days prior to the date the board receives <u>the application:</u>
 - 1. A state criminal background check performed by:
 - a. The Kentucky State Police for Kentucky residents; or
- <u>b. A comparable law enforcement agency for non-resident applicants; and</u>
- 2. A nationwide criminal background investigation check performed by the Federal Bureau of Investigation. If the Federal Bureau of Investigation [check performed by the Kentucky State Police and a nationwide criminal background investigation check performed by the Federal Bureau of Investigation. If an applicant submits an application for a nationwide criminal background investigation check performed by the Federal Bureau of Investigation check performed by the Federal Bureau of Investigation check within thirty (30) days of the request[.—Then], the applicant may submit an Optional Affidavit for Licensure, form KBHI 6, and submit the performed nationwide criminal background investigation check within fourteen (14) days of its completion. If an applicant has a felony conviction during the applicant's lifetime, a misdemeanor conviction within the past five (5) years or a pending charge, the applicant shall not use the optional affidavit; and
- (g) A nonrefundable fee of \$250.[(2) An applicant for a home inspector license shall:
- (a) Complete and pass a prelicensing training course approved by the board pursuant to subsection (8) of this section and that is administered by a provider who has been approved by the board in accordance with 815 KAR 006:040 and subsection (8) of this section; and