Approved: 3-11-00

### MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE

The meeting was called to order by Chairman Steve Brunk at 9:00 a.m. on February 16, 2009, in Room 784 of the Docking State Office Building.

All members were present.

## Committee staff present:

Renae Jefferies, Office of the Revisor of Statutes Jerry Donaldson, Kansas Legislative Research Department Dennis Hodgins, Kansas Legislative Research Department Stephen Bainum, Committee Assistant

### Conferees appearing before the committee:

Renae Jefferies, Assistant Revisor Tony Scott, Kansas Society of Certified Public Accountants Ginger Powell, Kansas Board of Accountancy Susan Sommers, Kansas Board of Accountancy

### Others attending:

See attached list.

Renae Jefferies, Assistant Revisor (<u>Attachment 1</u>)
Tony Scott, Kansas Society of Certified Public Accountants (<u>Attachment 2</u>)
Ginger Powell, Kansas Board of Regents (<u>Attachment 3</u>)
Susan Sommers, Kansas Board of Regents

The meeting was called to order by Chairman Steve Brunk at 9:00 a.m. The minutes of February 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup>, 9<sup>th</sup> and 10<sup>th</sup> were approved, having been e-mailed to the committee earlier.

The Chairman opened the hearing on <u>HB 2339</u> and asked Renae Jefferies to give an overview of the bill (Attachment 1).

# HB 2339 - Amending accountancy statutes regarding licensure of firms and individuals, fees, practice privilege and peer review.

Tony A. Scott gave testimony as a proponent of <u>HB 2339</u> (Attachment 2). He said that the purpose of the bill was to implement the concept of "practice mobility" in Kansas. This would allow CPAs to easily gain a practice privilege outside of their home licensing state without obtaining additional licenses in other states. Currently thirty-three states have enacted provisions similar to the one we are proposing for Kansas. The bill also strengthens the Kansas Board of Accountancy's regulatory authority by providing for automatic jurisdiction, or "no escape," should a CPA enter Kansas and perform substandard work or perform an unethical or illegal act.

Representative Grant asked if states around Kansas were reciprocal and were the fees similar across the states? Tony said that we have 54 licensing jurisdictions with uniform language except that everyone wants to have their subtle difference. But 33 states have implemented this legislation and 15 are working on it so fairly quickly all 54 licensing jurisdictions will implement this. The fees are based on a free market concept and we believe clients will continue to hire Kansas CPAs.

Representative Kerschen asked about the increase in the fees. Tony said that the increase was necessary to keep the board revenue neutral. The question of how they arrived at the dollar amount of the fees was deferred to the Board of Accountancy.

Representative Schwab asked why the phrase "any combination" was stricken on page 11 but not on page 10 of the bill. Renae said they would have to ask the Board that question.

Representative Quigley asked if it was typical for CPAs to practice in more than one state. Tony said that it was very common for them to practice in multiple states.

## **CONTINUATION SHEET**

Minutes of the House Commerce And Labor Committee at 9:00 a.m. on February 16, 2009, in Room 784 of the Docking State Office Building.

Ginger Powell, Kansas Board of Accountancy testified as a proponent of HB 2339 (Attachment 3).

Representative Brunk asked about New Section 1, are these new powers given to the Board? Ginger said that yes they are new powers which were made necessary because of the reciprocal nature of the bill.

Susan Sommers, Kansas Board of Accountancy said that the Board was one of only a few that did not have subpoena power. Sometimes they need to get a document before they can file a petition and this makes that possible. With out of state CPAs coming into the state it is even more important that we have that power.

Representative Brunk ask what was the difference between the authority you have now and the authority you are requesting. Susan said it was that the subpoena power can come first rather than after a petition has been issued. There is protection for the person being subpoenaed, they have five days to go to a judge and ask for a change in the scope of the subpoena.

Representative Brunk asked if five days was long enough. Susan said yes, it is long enough and this is not an unusual request. The language is plagiarized from other regulatory boards that have this power.

Representative Brunk mentioned that there were a couple of questions about fee structure increases. One is fees for services and another is fees for fines. Susan said the reason for the increase of individuals fees is that this is a maximum fee, this is a cannot exceed level. We cannot currently charge any more than we are now charging and the Board has not changed fees since 1999. With the mobility impact we need the ability to adjust.

Regarding Representative Schwab's and Grant's question, on page 10 line 1 the words "or any combination" needs to be struck. That particular section deals with individuals, the next section on page 11 is for fines.

Representative Worley asked what determines when a CPA needs to register in the state of Kansas? Susan replied that under current law if you have an office in Kansas you have to be licensed individually and your firm must be registered with us. If you are an out of state firm, the individual must be registered with us and the firm must be registered with us. With this bill the out of state CPAs don't have to be registered with us but the firm does if it is providing a tax service.

Representative Kerschen ask who would benefit more from the mobility. Susan could not answer that question because they do not track those statistics. She did comment that 27% of their license fees are from out of state CPAs.

Representative Ruiz asked if CPAs have a fee guideline similar to what doctors have. Susan said no, it is what the market will bear.

Representative Schwab asked why they didn't place the fee increases in a separate bill and what would the fees be. Susan said that it would take a two year process to work the answer out. We don't know how many will choose to work across state lines. The fees are in the bill because they are part and parcel of the mobilization. Nationwide this is not an unusual fee.

Representative Brunk asked how are we protecting the standards for the consumer with out of state CPAs coming into Kansas. Susan said that there are standards that every CPA must abide by. If they don't abide by these standards they can be disciplined for it. These standards are now becoming national standards. If any state does not have these standards they can not come into Kansas and practice.

Representative Hermanson asked how the Board was going to monitor the out of state CPAs. Susan said that in their profession everything was on paper. They do not know about it ahead of time. Complaints are after the fact. If the board finds out that an out of state CPA has not followed the rules they will treat them just as the Kansas CPA is treated. Then the other state also has an obligation to investigate that person for the violation in Kansas.

Representative Quigley asked why someone would continue to be licensed in Kansas if they are not required

### CONTINUATION SHEET

Minutes of the House Commerce And Labor Committee at 9:00 a.m. on February 16, 2009, in Room 784 of the Docking State Office Building.

to. Susan said that some people just like to have the license and it may be that in their state there are other agencies that require them to have the license.

The Chairman closed the hearing on HB 2339 and called for the Committee to work HB 2067.

# HB 2067 - Kansas home inspectors registration board; removing the secretary of state as custodian of the board's records.

He explained that the purpose of working this bill was that if <u>HB 2260</u> was not passed into law it would leave the Secretary of State with the responsibility of keeping the records of the Home Inspectors Registration Board.

Representative Worley made a motion to pass out **HB 2067** favorably for passage. Representative Gatewood seconded the motion. The motion carried.

The Chairman then called for the Committee to work HB 2142.

# <u>HB 2142 - Cities; continuing education requirements for plumbers, electricians and certain mechanical</u> contractors.

Renae Jefferies, Assistant Revisor passed out the Tim Ryan Balloon on the bill (Attachment 4). It was a change of the word "or" to "and" on several pages.

Representative Worley passed out his balloon amendment and explained the changes it was making on pages 1, 2, 3 and 4 (Attachment 5).

Representative Grange said that there are code changes to the code books and there may be local changes.

Representative Grange made a motion to accept the changes in Worley's Balloon Amendment. Representative Schwab seconded the motion. The motion carried.

Representative Grant made a motion to pass out **HB 2142** favorable for passage as amended. Representative Grange seconded the motion. The motion carried.

Representative Schwab made a substitute motion to add equipment manufacturers to those providing continuing education.

Representative Grange said that the language "or other provider approved by a local governing body" encompasses that language without adding the language to the bill.

Representative Schwab withdrew his substitute motion.

There was no further discussion so the Chairman called the question. The motion carried to pass **HB 2142** favorably for passage as amended.

The next meeting is scheduled for February 17, 2009.

The meeting was adjourned at 10:28 a.m.

# COMMERCE & LABOR COMMITTEE DATE: 2 -16 - 09

NAME	REPRESENTING
Hally Muton	Kansas 4-H
Tamer Howard	Kansas 4-H
Darin Conklin	Kansas Board of Accountance
Susa Smers	Ks Doard of accentancy
GINGER POWER	KANSAS BOARD OF ACCOUNTAINEY
Tony A. Scon	KSCPA '
MARY R. MACBAIN	Kansas Society of CPAs
Diane Minear	Ks. Sec. of State
ERIK SARTORIUS	City of OVERIAND PARIS
Megan Ingmire	KDOL
any Johnson	Jutur Rep Ruiz
Ligh, Keck	Hein Law firm
fuf sullell	PAAK
DENNY KOCH	YOU'NEW LAW

## Office of Revisor of Statutes 300 S.W. 10<sup>th</sup> Avenue Suite 010-E, Statehouse Topeka, Kansas 66612-1592 Telephone (785) 296 -2321 FAX (785) 296-6668

### **MEMORANDUM**

To:

House Committee on Commerce and Labor

From:

Renae Jefferies, Assistant Revisor

Date:

February 16, 2009

Subject:

HB 2339

HB 2339 creates to new statutes and amends others regarding certified public accounts, powers of the board of accountancy and the mobility of practice privilege for certified public accountants.

New section, on pages 1 and 2 of the bill,1 creates a new statute clarifying the board's authority to enforce the provisions of the Kansas Statutes Annotated regarding the practice of certified public accountancy. The section clarifies the board's ability to investigate violations of the accountancy statutes and rules and regulations of the board. Subsection (g) gives the board the power to issue subpoenas and compel the attendance of witnesses and the production of all necessary papers, books, records, documentary evidence and materials as necessary during the course of an investigation or disciplinary matter. Subsection (h) allows a person subpoenaed by the board to petition the board to revoke, limit or modify such subpoena within five days after service of the subpoena.

New section 2, on pages 2 and 3 of the bill, allows the board to recoup reasonable costs incurred by the board in any proceeding conducted under the Kansas administrative procedure act wherein the board is the successful party. Such costs may be assessed against the parties in such proportion as the board may determine upon consideration of all relevant circumstances including the nature of the proceeding and the level of participation by the parties. An order assessing reasonable costs shall include findings and conclusions in support of the assessment of costs.

Section 3 amends K.S.A. 1-301, on pages 3 and 4 of the bill, to allow a fee to be charged and collected for a firm registration and to increase the maximum amount to be charged for the

House Commerce & Labor
Date: 2-16-09
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various fees.

The amendments in section 4 amending K..S. A. 1-302b and section 5 amending K.S.A. 1-307, on page 5 of the bill, refer to the practice privilege in K.S.A. 1-322.

The amendments to section 6 amending K.S.A. 1-308, on pages 6 through 8 of the bill, concern firm registration to engage in the practice of certified public accountancy in this state and the practice privilege. New subsection (b) requires any firm with an office in this state that practices certified public accountancy and any firm that does not have an office in this state but offers to perform attest services for a client having its home office in this state to be registered by the board. New subsection (c) allows a firm which is not required to be registered under subsection (b) to perform nonattest services and to use the designations "certified public accountant," "CPA" or "CPA firm" upon meeting certain requirements. Under new subsection(d) an individual who has practice privileges under subsection (a) of K.S.A. 1-322, who performs or offers to perform services for which firm registration is required, need not obtain a certificate or permit to practice.

The changes in section 7 to K.S.A. 1-310, on page 9 of the bill, are clean up of the language in that section.

The changes to K.S.A. 3-311 in section 8, on pages 9 and 10 of the bill, are to allow discipline of persons with practice privileges and to increase the cap on the amount of the administrative fine from \$2,000 to \$5000.

The amendments to K.S.A. 1-312 on page 11 of the bill, increase the administrative fine cap for a firm violating that section from \$2,000 to \$5,000.

Section 10, on page 12 of the bill, amends K.S.A. 1-315 to allow for reinstatement of the practice privilege of any out-of-state certified public accountant whose practice privilege had been revoked.

The changes to K.S.A. 1-316 in section 11, on page 12 of the bill, are for cleanup purposes and to insert language regarding practice privilege.

Section 12, on pages 12 through 16 of the bill, amend K.S.A. 3-321 to add some new definitions that are related to practice privilege.

Section 13, on pages 16 through 19, of the bill amend K.S.A. 1-322 in regards to practice privilege. Paragraph (2) of subsection (a) on page 17 sets out requirements to be met by an individual whose principal place of business is not in this state but who has an active license to practice certified public accountancy from any state which the board has not verified to be in substantial equivalency with the licensure requirements of the uniform certified public accountancy act. An individual meeting those requirements need not obtain a permit to practice

under K.S.A. 1-310. Additionally, any individual who passed the uniform certified public accountancy examination and who holds a valid license to practice certified public accountancy in another state prior to January 1, 2012, may be exempt from the education requirement under paragraph (2).

New language in lines 6 through 14, on page 18 of the bill, provides that an individual who offers or renders professional services on or after November 1, 2009, and who possesses qualifications under subsection (a) of this section, shall be granted practice privileges in this state.

Subsection (d) sets out conditions to which the out-of-state licensee granted the privilege to practice under subsection (b) and the firm which employs such individual agree to as a condition of the grant of such privilege.

Subsection (e) provides that an individual who has been granted practice privileges under K.S.A. 1-322 and who performs any of the services set out in subsection (e) for a client having its home office in this state may only perform such services through a firm which has registered pursuant to K.S.A. 1-308.

Section 14, on page 19, amends K.S.A. 1-501 to clarify duties of a firm upon issuance of the first report subject to peer review.

The act would take effect upon publication in the Kansas register.

A fiscal note has not been issued at this time.

100 SE 9th Street, Suite 502 • PO Box 4291 • Topeka, Kansas 66604-0291 • 785-272-4366 • Fax 785-272-4468

### **TESTIMONY**

To:

The Honorable Steven Brunk, Chairperson

Members, House Committee on Commerce and Labor

From: Tony A. Scott

Re:

Support for HB 2339

Date: February 16, 2009

Mr. Chairman and Members of the Committee:

Approximately 2,600 members strong, the Kansas Society of Certified Public Accountants is the statewide professional association of CPAs dedicated to implementing strategies that enhance the well-being of our members, the accounting profession and the general public. My name is Tony A. Scott and I am Executive Director of the KSCPA. Today I am testifying in support of HB 2339.

HB 2339 involves a number of issues, but the overarching reason for its introduction is to implement the concept of "practice mobility" in Kansas. Simply stated, practice mobility for CPAs is the ability to easily gain a practice privilege outside of their home licensing state without obtaining additional licenses in other states. The electronic age and today's global economy make conducting business across state borders an everyday occurrence. As a result there is a critical need for all states to adopt a uniform mobility system that will allow licensed CPAs to provide services across state lines without unnecessary regulatory burdens that do not protect the public.

Prior to the recent nationwide initiative to implement mobility throughout the country, each state had its own rules, regulations and requirements to allow out-of-state CPAs to provide services in that state. The result was a patchwork regulatory system that was inefficient and increasingly difficult for CPAs to navigate.

After analyzing the traditional system for gaining practice privileges across state lines, the American Institute of CPAs (AICPA), National Association of State Boards of Accountancy (NASBA), state CPA societies, state regulatory boards, and practitioners collectively concluded that it was not working. In 2007 the AICPA and NASBA began working with state boards of accountancy and state CPA societies throughout the country to implement uniform interstate mobility through the Uniform Accountancy Act. Since that time thirty-three (33) states have enacted provisions similar to the one we are proposing for Kansas.

In a system of multiple, cumbersome processes, and with disparities in requirements from state to state, regulatory compliance and enforcement becomes increasingly difficult. Today's business realities, including an increase in interstate commerce and virtual technologies, require House Commerce & Labor

2-16-09

Attachment #

a uniform system that facilitates practice across state lines. Businesses today are often located in multiple states and have compliance responsibilities in multiple jurisdictions. A uniform process such as the one proposed in HB 2339 will give CPAs in Kansas and throughout the country the flexibility to better serve the needs of their clients. Clients, or consumers of CPA services, will also receive more timely services from the CPA best suited to the job regardless of geographic location and without the undue regulatory requirements, registration filings, and payments of fees that do not protect the public interest.

The Kansas Board of Accountancy (KBOA) regulates the CPA profession in and for the State of Kansas. Provisions in HB 2339 strengthen the KBOA's regulatory authority by providing for automatic jurisdiction, or "no escape," should a CPA enter Kansas and perform substandard work or otherwise perform an unethical or illegal act. Certified Public Accountants in Kansas appreciate and publicly thank members of the KBOA and staff for their joint support of practice mobility and HB 2339.

For the reasons stated herein above, we respectfully urge members of the Committee to vote in favor of HB 2339.

It is my honor and privilege to appear before you today. I will be pleased to stand for questions at the appropriate time.

Respectfully Submitted,

Tony A. Scott

TAS/mmi



www.ksboa.org

### **TESTIMONY ON HB 2339**

Good morning, I am Ginger Powell, CPA, a member of the Kansas Board of Accountancy. I am here today on behalf of the entire Board of Accountancy to speak on matters relating to HB 2339.

The provisions contained in HB 2339 are a result of a collaboration of both the members of the Kansas Board of Accountancy and Board members of the Kansas Society of CPAs.

There is a nationwide movement for all state Boards of Accountancy to adopt a "mobility" or "practice privilege" standard, whereby CPAs may move more freely from state to state without the need to register as individuals. The provisions contained in this Bill address the nationwide movement, and at the same time, afford the Board the ability and authority to regulate those who would benefit from mobility, in furtherance of the Board's statutory obligation to protect the public.

In reviewing the Bill, we found some technical amendments that needed to be made, which have been discussed with and addressed by the Revisor.

Thank you. I will be happy to stand for any questions.

\* \* \*

House Commerce & Labor Date: 2-16-69 Attachment # 3

## **HOUSE BILL No. 2142**

By Committee on Commerce and Labor

#### 1-28

AN ACT concerning licensure and continuing education requirements for certain trades and crafts; amending K.S.A. 2008 Supp. 12-1509, 12-1526 and 12-1542 and repealing the existing sections.

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40 41 Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2008 Supp. 12-1509 is hereby amended to read as follows: 12-1509. (a) Any county or city requiring the licensure of plumbers practicing within the county or city may conduct examinations designated by K.S.A. 12-1508, and amendments thereto, for the purpose of determining the competency of applicants for such licensure and shall not be allowed to ask further questions not designated on such examination. The board of county commissioners of such county or the governing body of such city shall adopt rules and regulations: (1) Governing the conduct and grading of such examinations; (2) prescribing a minimum score of 75% for passage of examinations; (3) fixing a uniform fee to be charged all applicants taking each such examination; and (4) requiring all persons receiving such license annually to obtain not less than 12 hours biennially or six hours annually of continuing education approved by such local governing body. Continuing education may be provided by the local governing body or, a nationally recognized trade association, community college, technical school, technical college or other provider approved by the local governing body. All 12 hours of education may consist of code up-date training on the code currently adopted in the county or city where licensing is being requested shall consist of training relative to construction and maintenance or code update training. Neither the county commission nor the governing body of such city shall impose any restriction on the number of providers of such continuing education.

(b) The certificate of competency received by any person who successfully passes an examination designated by K.S.A. 12-1508, and amendments thereto, shall be valid proof of competency for licensure, without additional examination, in any county or city of the state which requires licensure of plumbers practicing within such county or city. The county or city shall issue the appropriate license to any applicant therefor who presents such a certificate of competency. The county or city shall fix a uniform fee to be charged all such applicants for licensure.

and

Tim Ryan
Balloon Amendment.1
February 10, 2009

House Commerce & Labor Date: 2-16-09

Revisor of Statutes: RJ

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(c) All new licenses issued by a county or city upon the basis of successful passage of an examination designated by K.S.A. 12-1508, and amendments thereto, shall bear a distinctive notation or such fact. identifying the testing agency and the specific test by name. All such licenses renewed upon the basis of completed continuing education as provided by subsection (a) shall bear a distinctive notation to verify such completion. All such licenses shall be valid in any other county or city which requires examination and licensure of plumbers for practice in such county or city.

- (d) No person who was certified or licensed prior to July 1, 1989, upon the basis of passage of a standard examination designated as such under the provisions of article 15 of chapter 12 of Kansas Statutes Annotated, and whose certificate or license was issued by a political subdivision which prescribed a minimum score of not less than 70% for passage of such examination, shall be required to be reexamined for renewal of certification or licensure.
- (e) Before sitting for the standard examination designated by K.S.A. 12-1508, and amendments thereto, an applicant for a journeyman certificate shall demonstrate documented proof of a minimum of two years field experience. "Field experience" means working under the direct supervision of a person having a valid journeyman certificate or master certificate or attending trade related schooling. No more than one year of the requirement may be satisfied by trade related schooling. Schooling shall consist of a minimum of 240 hours classroom training.
- (f) Before sitting for the standard examination designated by K.S.A. 12-1508, and amendments thereto, an applicant for a master certificate shall demonstrate documented proof of having a valid journeyman certificate for a minimum of two years or having field experience for a minimum of four years.
- Sec. 2. K.S.A. 2008 Supp. 12-1526 is hereby amended to read as follows: 12-1526. (a) Any county or city requiring the licensure of electricians practicing within the county or city may conduct examinations designated by K.S.A. 12-1525, and amendments thereto, for the purpose of determining the competency of applicants for such licensure and shall not be allowed to ask further questions not designated on such examination. The board of county commissioners of such county or the governing body of such city shall adopt rules and regulations: (1) Governing the conduct and grading of such examinations; (2) prescribing a minimum score of 75% for passage of examinations; (3) fixing a uniform fee to be charged all applicants taking each such examination; and (4) requiring all persons receiving such license to obtain not less than 12 hours biennially or six hours annually of continuing education approved by such local governing body. Continuing education may be provided by the local governing body.

erning body, a nationally recognized trade organization association, community college, technical school or, technical college or other provider approved by the local governing body. All 12 hours of education may consist of code up-date training on the code currently adopted in the county or city where licensing is being requested shall consist of training relative to construction and maintenance or code update training. Neither the county commission nor the governing body of such city shall impose any restriction on the number of providers of such continuing education.

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- (b) The certificate of competency received by any person who successfully passes an examination designated by K.S.A. 12-1525, and amendments thereto, shall be valid proof of competency for licensure, without additional examination, in any county or city of the state which requires licensure of electricians practicing within such county or city. The county or city shall issue the appropriate license to any applicant therefor who presents such a certificate of competency. The county or city shall fix a uniform fee to be charged all such applicants for licensure.
- (c) All new licenses issued by a county or city upon the basis of successful passage of an examination designated by K.S.A. 12-1525, and amendments thereto, shall bear a distinctive notation of such fact. identifying the testing agency and the specific test by name. All licenses renewed upon the basis of completed continuing education as provided by subsection (a) shall bear a distinctive notation to verify such completion. All such licenses shall be valid in any other county or city which requires examination and licensure of electricians for practice in such county or city.
- (d) No person who was certified or licensed prior to July 1, 1989, upon the basis of passage of a standard examination designated as such under the provisions of article 15 of chapter 12 of Kansas Statutes Annotated, and whose certificate or license was issued by a political subdivision which prescribed a minimum score of not less than 70% for passage of such examination, shall be required to be reexamined for renewal of certification or licensure.
- (e) Before sitting for the standard examination designated by K.S.A. 12-1525, and amendments thereto, an applicant for a journeyman or residential certificate shall demonstrate documented proof of a minimum of two years field experience. "Field experience" means working under the direct supervision of a person having a valid journeyman certificate, residential certificate or master certificate or attending trade related schooling. No more than one year of the requirement may be satisfied by trade related schooling. Schooling shall consist of a minimum of 240 hours classroom training.
- (f) Before sitting for the standard examination designated by K.S.A. 12-1525, and amendments thereto, an applicant for a master certificate

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shall demonstrate documented proof of having a valid journeyman certificate for a minimum of two years.

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Sec. 3. K.S.A. 2008 Supp. 12-1542 is hereby amended to read as follows: 12-1542. (a) Any county or city requiring the licensure of mechanical heating, ventilation and air conditioning contractors and master and journeyman heating, ventilation and air conditioning mechanics practicing within the county or city may conduct examinations designated by K.S.A. 12-1541 for the purpose of determining the competency of applicants for such licensure and shall not be allowed to ask further questions not designated on such examination. The board of county commissioners of such county or the governing body of such city shall adopt rules and regulations: (1) Governing the conduct and grading of such examinations; (2) prescribing a minimum score of 75% for passage of examinations; (3) fixing a uniform fee to be charged all applicants taking each such examination; and (4) requiring all persons receiving such license annually to obtain not less than 12 hours biennially or six hours annually of continuing education approved by such local governing body. Continuing education may be provided by the local governing body or, a nationally recognized trade association, community college, technical school, technical college or other provider approved by the local governing body. All 12 hours of education may consist of code up-date training on the code currently adopted in the county or city where licensing is being requested. shall consist of training relative to construction and maintenance or code update training. Neither the county commission nor the governing body of such city shall impose any restriction on the number of providers of such continuing education.

(b) The certificate of competency received by any person who successfully passes an examination designated by K.S.A. 12-1541, and amendments thereto, shall be valid proof of competency for licensure, without additional examination, in any county or city of the state which requires licensure of mechanical heating, ventilation and air conditioning contractors and master and journeyman heating, ventilation and air conditioning mechanics practicing within such county or city. The county or city shall issue the appropriate license to any applicant therefor who presents such a certificate of competency. The county or city shall fix a uniform fee to be charged all such applicants for licensure.

(c) All new licenses issued by a county or city upon the basis of successful passage of an examination designated by K.S.A. 12-1541, and amendments thereto, shall bear a distinctive notation of such fact. identifying the testing agency and the specific test by name. All licenses renewed upon the basis of completed continuing education as provided by subsection (a) shall bear a distinctive notation to verify such completion. All such licenses shall be valid in any other county or city which requires

and

examination and licensure of mechanical heating, ventilation and air conditioning contractors and master and journeyman heating, ventilation and air conditioning mechanics for practice in such county or city.

- (d) No person who was certified or licensed prior to July 1, 1989, upon the basis of passage of a standard examination designated by the political subdivision and whose certificate or license was issued by such political subdivision which prescribed a minimum score of not less than 70% for passage of such examination, shall be required to be reexamined for renewal of certification or licensure.
- (e) Before sitting for the standard examination designated by K.S.A. 12-1541, and amendments thereto, an applicant for a journeyman heating, ventilation and air conditioning mechanic certificate shall demonstrate documented proof of a minimum of two years field experience. "Field experience" means working under the direct supervision of a person having a valid journeyman certificate or master certificate or attending trade related schooling. No more than one year of the requirement may be satisfied by trade related schooling. Schooling shall consist of minimum of 240 hours classroom training.
- (f) Before sitting for the standard examination designated by K.S.A. 12-1541, and amendments thereto, an applicant for a master heating, ventilation and air conditioning mechanic certificate shall demonstrate documented proof of having a valid journeyman certificate for a minimum of two years or having field experience for a minimum of four years.
- Sec. 4. K.S.A. 2008 Supp. 12-1509, 12-1526 and 12-1542 are hereby repealed.
- Sec. 5. This act shall take effect and be in force from and after its publication in the statute book.

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# HOUSE BILL No. 2142

By Committee on Commerce and Labor

1 - 28

AN ACT concerning licensure and continuing education requirements for certain trades and crafts; amending K.S.A. 2008 Supp. 12-1509, 12-1526 and 12-1542 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2008 Supp. 12-1509 is hereby amended to read as follows: 12-1509. (a) Any county or city requiring the licensure of plumbers practicing within the county or city may conduct examinations designated by K.S.A. 12-1508, and amendments thereto, for the purpose of determining the competency of applicants for such licensure and shall not be allowed to ask further questions not designated on such examination. The board of county commissioners of such county or the governing body of such city shall adopt rules and regulations: (1) Governing the conduct and grading of such examinations; (2) prescribing a minimum score of 75% for passage of examinations; (3) fixing a uniform fee to be charged all applicants taking each such examination; and (4) requiring all persons receiving such license annually to obtain not less than 12 hours biennially or six hours annually of continuing education approved by such local governing body. Continuing education may be provided by the local governing body or, a nationally recognized trade association, community college, technical school, technical college or other provider approved by the local governing body. All 12 hours of education may consist of code up-date training on the code currently adopted in the county or city where licensing is being requested shall consist of training relative to construction and maintenance of code update training. Neither the county commission nor the governing body of such city shall impose any restriction on the number of providers of such continuing education.

(b) The certificate of competency received by any person who successfully passes an examination designated by K.S.A. 12-1508, and amendments thereto, shall be valid proof of competency for licensure, without additional examination, in any county or city of the state which requires licensure of plumbers practicing within such county or city. The county or city shall issue the appropriate license to any applicant therefor who presents such a certificate of competency. The county or city shall fix a uniform fee to be charged all such applicants for licensure.

Not less that six hours biennially or three hours annually shall consist of code education.

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(c) All new licenses issued by a county or city upon the basis of successful passage of an examination designated by K.S.A. 12-1508, and amendments thereto, shall bear a distinctive notation or such fact, identifying the testing agency and the specific test by name. All such licenses renewed upon the basis of completed continuing education as provided by subsection (a) shall bear a distinctive notation to verify such completion. All such licenses shall be valid in any other county or city which requires examination and licensure of plumbers for practice in such county or city.

(d) No person who was certified or licensed prior to July 1, 1989, upon the basis of passage of a standard examination designated as such under the provisions of article 15 of chapter 12 of Kansas Statutes Annotated, and whose certificate or license was issued by a political subdivision which prescribed a minimum score of not less than 70% for passage of such examination, shall be required to be reexamined for renewal of certification or licensure.

(e) Before sitting for the standard examination designated by K.S.A. 12-1508, and amendments thereto, an applicant for a journeyman certificate shall demonstrate documented proof of a minimum of two years field experience. "Field experience" means working under the direct supervision of a person having a valid journeyman certificate or master certificate or attending trade related schooling. No more than one year of the requirement may be satisfied by trade related schooling. Schooling shall consist of a minimum of 240 hours classroom training.

(f) Before sitting for the standard examination designated by K.S.A. 12-1508, and amendments thereto, an applicant for a master certificate shall demonstrate documented proof of having a valid journeyman certificate for a minimum of two years or having field experience for a minimum of four years.

Sec. 2. K.S.A. 2008 Supp. 12-1526 is hereby amended to read as follows: 12-1526. (a) Any county or city requiring the licensure of electricians practicing within the county or city may conduct examinations designated by K.S.A. 12-1525, and amendments thereto, for the purpose of determining the competency of applicants for such licensure and shall not be allowed to ask further questions not designated on such examination. The board of county commissioners of such county or the governing body of such city shall adopt rules and regulations: (1) Governing the conduct and grading of such examinations; (2) prescribing a minimum score of 75% for passage of examinations; (3) fixing a uniform fee to be charged all applicants taking each such examination; and (4) requiring all persons receiving such license to obtain not less than 12 hours biennially or six hours annually of continuing education approved by such local governing body. Continuing education may be provided by the local governing body.

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erning body, a nationally recognized trade organization association, community college, technical school or, technical college or other provider approved by the local governing body. All ½ hours of education may consist of code up-date training on the code currently adopted in the county or city where licensing is being requested shall consist of training relative to construction and maintenance or code up-date training. Neither the county commission nor the governing body of such city shall impose any restriction on the number of providers of such continuing education.

(b) The certificate of competency received by any person who successfully passes an examination designated by K.S.A. 12-1525, and amendments thereto, shall be valid proof of competency for licensure, without additional examination, in any county or city of the state which requires licensure of electricians practicing within such county or city. The county or city shall issue the appropriate license to any applicant therefor who presents such a certificate of competency. The county or city shall fix a uniform fee to be charged all such applicants for licensure.

(c) All new licenses issued by a county or city upon the basis of successful passage of an examination designated by K.S.A. 12-1525, and amendments thereto, shall bear a distinctive notation of such fact. identifying the testing agency and the specific test by name. All licenses renewed upon the basis of completed continuing education as provided by subsection (a) shall bear a distinctive notation to verify such completion. All such licenses shall be valid in any other county or city which requires examination and licensure of electricians for practice in such county or city.

(d) No person who was certified or licensed prior to July 1, 1989, upon the basis of passage of a standard examination designated as such under the provisions of article 15 of chapter 12 of Kansas Statutes Annotated, and whose certificate or license was issued by a political subdivision which prescribed a minimum score of not less than 70% for passage of such examination, shall be required to be reexamined for renewal of certification or licensure.

(e) Before sitting for the standard examination designated by K.S.A. 12-1525, and amendments thereto, an applicant for a journeyman or residential certificate shall demonstrate documented proof of a minimum of two years field experience. "Field experience" means working under the direct supervision of a person having a valid journeyman certificate, residential certificate or master certificate or attending trade related schooling. No more than one year of the requirement may be satisfied by trade related schooling. Schooling shall consist of a minimum of 240 hours classroom training.

(f) Before sitting for the standard examination designated by K.S.A. 12-1525, and amendments thereto, an applicant for a master certificate

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shall demonstrate documented proof of having a valid journeyman certificate for a minimum of two years.

Sec. 3. K.S.A. 2008 Supp. 12-1542 is hereby amended to read as follows: 12-1542. (a) Any county or city requiring the licensure of mechanical heating, ventilation and air conditioning contractors and master and journeyman heating, ventilation and air conditioning mechanics practicing within the county or city may conduct examinations designated by K.S.A. 12-1541 for the purpose of determining the competency of applicants for such licensure and shall not be allowed to ask further questions not designated on such examination. The board of county commissioners of such county or the governing body of such city shall adopt rules and regulations: (1) Governing the conduct and grading of such examinations; (2) prescribing a minimum score of 75% for passage of examinations; (3) fixing a uniform fee to be charged all applicants taking each such examination; and (4) requiring all persons receiving such license annually to obtain not less than 12 hours biennially or six hours annually of continuing education approved by such local governing body. Continuing education may be provided by the local governing body or, a nationally recognized trade association, community college, technical school, technical college or other provider approved by the local governing body. All 12 hours of education may consist of code up-date training on the code currently adopted in the county or city where licensing is being requested. shall consist of training relative to construction and maintenance on code update training. Neither the county commission nor the governing body of such city shall impose any restriction on the number of providers of such 26 continuing education.

(b) The certificate of competency received by any person who successfully passes an examination designated by K.S.A. 12-1541, and amendments thereto, shall be valid proof of competency for licensure, without additional examination, in any county or city of the state which requires licensure of mechanical heating, ventilation and air conditioning contractors and master and journeyman heating, ventilation and air conditioning mechanics practicing within such county or city. The county or city shall issue the appropriate license to any applicant therefor who presents such a certificate of competency. The county or city shall fix a uniform fee to be charged all such applicants for licensure.

(c) All new licenses issued by a county or city upon the basis of successful passage of an examination designated by K.S.A. 12-1541, and amendments thereto, shall bear a distinctive notation of such fact, identifying the testing agency and the specific test by name. All licenses renewed upon the basis of completed continuing education as provided by subsection (a) shall bear a distinctive notation to verify such completion. All such licenses shall be valid in any other county or city which requires Not less that six hours biennially or three hours annually shall consist of code education.

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