## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Administrative

Regulation:
Contact Person:

815 KAR 35:060

Phone Number:

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## (1) Provide a brief summary of:

- (a) What this administrative regulation does: This administrative regulation establishes the licensure requirements for electrical contractors, master electricians, and electricians.
- (b) The necessity of this administrative regulation: KRS 227A.040(1) requires the Department of Housing, Buildings and Construction to administer and enforce KRS 227A.010 to 227A.140 and evaluate the qualifications of applicants for electrical licensure. KRS 227A.040(8) authorizes the Department of Housing, Buildings and Construction to promulgate administrative regulations to establish procedures governing the licensure of electrical contractors, master electricians, and electricians. KRS 227A.100(9) authorizes the department to promulgate administrative regulations governing an inactive license. KRS 227A.060(4)(b) requires the department to promulgate administrative regulations pursuant to KRS Chapter 13A that establish an application form for the use of military experience to apply toward electrical licensure. This administrative regulation establishes the eligibility requirements and application procedures for the licensing of electrical contractors, master electricians, and electricians.
- (c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 227A.040(8) authorizes the Department of Housing, Buildings and Construction to promulgate administrative regulations to establish procedures governing the licensure of electrical contractors, master electricians, and electricians. KRS 227A.100(9) authorizes the department to promulgate administrative regulations governing an inactive license. This administrative regulation establishes the eligibility requirements and application procedures for the licensing of electrical contractors, master electricians, and electricians.
- (d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: KRS 227A.040(1) requires the Department of Housing, Buildings and Construction to administer and enforce KRS 227A.010 to 227A.140 and evaluate the qualifications of applicants for electrical licensure. This administrative regulation establishes the eligibility requirements and application procedures for the licensing of electrical contractors, master electricians, and electricians, which is authorized by KRS 227A.040(8) and KRS 227A.100(9).
- (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

changes expiration dates, fees, and experience requirements to reflect the changes of 2024 RS HB 444.

- (b) The necessity of the amendment to this administrative regulation: This amendment is necessary in order to align the administrative regulation with the changes to KRS Chapter 227A found in 2024 RS HB 444.
- (c) How the amendment conforms to the content of the authorizing statutes: KRS 227A.040(8) authorizes the Department of Housing, Buildings and Construction to promulgate administrative regulations to establish procedures governing the licensure of electrical contractors, master electricians, and electricians. KRS 227A.060(4)(b) requires the department to promulgate administrative regulations pursuant to KRS Chapter 13A that establish an application form for the use of military experience to apply toward electrical licensure.
- (d) How the amendment will assist in the effective administration of the statutes: KRS 227A.040(1) requires the Department of Housing. Buildings and Construction to administer and enforce KRS 227A.010 to 227A.140 and evaluate the qualifications of applicants for electrical licensure. KRS 227A.040(8) authorizes the Department of Housing, Buildings and Construction to promulgate administrative regulations to establish procedures governing the licensure of electrical contractors, master electricians, and electricians. KRS 227A.100(9) authorizes the department to promulgate administrative regulations governing an inactive license. This amendment updates electrical licensing requirements to align with 2024 RS HB 444.
- (3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: Any electrical contractor, master electrician, or electrician license applicant or current licensee and the Department of Housing, Buildings and Construction.
- (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: Applicants and licensees will now be issued biennial licenses and will have to renew their licensees every other year. Applicants applying with military experience will now have a supplemental form to utilize for their electrical licensing application.
  - (b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): This amendment alters fees to reflect the changes made in HB 444 to KRS 227A.100.
  - (c) As a result of compliance, what benefits will accrue to the entities identified in question (3): Electrical licensees will now be issued biennial licenses and applicants applying with

military experience will have a supplemental form to utilize for their electrical licensing application.

- (5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:
  - (a) Initially: This amendment will not result in additional cost to the agency initially.
  - (b) On a continuing basis: This amendment will not result in additional cost to the agency on a continuing basis.
- (6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: Any costs associated with the 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: Any costs associated with the implementation and enforcement of this administrative regulation will be met with existing agency funds.
- (8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This amendment alters fees to reflect the changes made in HB 444 to KRS 227A.100.
- (9) TIERING: Is tiering applied? Explain why or why not: Tiering is not applied as all regulated entities are subject to the same amended requirements.

## FISCAL IMPACT STATEMENT

Administrative

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- (1) Identify each state statute, federal statute, or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 227A.040(1) requires the Department of Housing, Buildings and Construction to administer and enforce KRS 227A.010 to 227A.140 and evaluate the qualifications of applicants for electrical licensure. KRS 227A.040(8) authorizes the Department of Housing, Buildings and Construction to promulgate administrative regulations to establish procedures governing the licensure of electrical contractors, master electricians, and electricians. KRS 227A.100(9) authorizes the department to promulgate administrative regulations governing an inactive license. KRS 227A.060(4)(b) requires the department to promulgate administrative regulations pursuant to KRS Chapter 13A that establish an application form for the use of military experience to apply toward electrical licensure.
- (2) Identify the promulgating agency and any other affected state units, parts, or divisions: Department of Housing, Buildings and Construction
  - (a) Estimate the following for the first year:

Expenditures: Neutral Revenues: Neutral Cost Savings: Neutral

- (b) How will expenditures, revenues, or cost savings differ in subsequent years? Expenditures, revenues, or cost savings will not differ in subsequent years.
- (3) Identify affected local entities (for example: cities, counties, fire departments, school districts): Local entities that employ electrical licensees and cover the cost of electrical licensure renewal for the employees.
  - (a) Estimate the following for the first year:

Expenditures: Neutral Revenues: Neutral Cost Savings: Neutral

- (b) How will expenditures, revenues, or cost savings differ in subsequent years? Expenditures, revenues, or cost savings will not differ in subsequent years.
- (4) Identify additional regulated entities not listed in questions (2) or (3): Electrical licensees
  - (a) Estimate the following for the first year:

Expenditures: Neutral Revenues: Neutral Cost Savings: Neutral

(b) How will expenditures, revenues, or cost savings differ in subsequent years? Expenditures, revenues, or cost savings will not differ in subsequent years.

(5) Provide a narrative to explain the:

- (a) Fiscal impact of this administrative regulation: There is no anticipated fiscal impact to this amendment. This amendment aligns the administrative regulation with the changes to KRS Chapter 227A found in HB 444. Electrical license fees have been amended in the administrative regulation to reflect biennial licensure.
- (b) Methodology and resources used to determine the fiscal impact: Budget and licensing staff confirmed that electrical licensing going to a two year-renewal cycle will not have an impact and be budget neutral expenditures as the renewal fees are adjusted for the two-year renewal.

(6) Explain:

- (a) Whether this administrative regulation will have an overall negative or adverse major economic impact to the entities identified in questions (2) (4). (\$500,000 or more, in aggregate). This administrative regulation will not have an overall negative or adverse major economic impact to the entities identified in questions (2) (4).
- (b) The methodology and resources used to reach this conclusion: Budget and licensing staff confirmed that this amendment is budget neutral as renewal fees are adjusted for the two-year renewal.