SENATE BILL No. 229

By Committee on Commerce

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AN ACT concerning labor and employment; relating to occupational licensing; providing for the termination of current and new occupational licensing requirements adopted by an agency or enacted by the legislature after a period of five years unless extended by a joint resolution of the legislature; requiring that adoption of new occupational licensing requirements by a state agency be approved by joint resolution of the legislature; providing for notice to agencies and the legislature of termination dates by the revisor of statutes and the secretary of state; specifying a procedure for legislative review of occupational licensing requirements by certain committees.

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

Section 1. For purposes of sections 1 through 3, and amendments thereto:

- (a) "Agency" means any department, bureau, division, board, authority, agency, commission or institution of this state, any political subdivision of the state and any city, county or unified government that is authorized by law to administer, adopt or enforce any occupational rule and regulation or occupational license. "Agency" does not include the behavioral sciences regulatory board, board of examiners in optometry, board of nursing, Kansas dental board, state board of healing arts, state board of pharmacy or any other regulatory agency for healthcare providers established by state law. "Agency" does not include the state board of technical professions.
- (b) "Occupational license" means a nontransferable and exclusive authorization in law in which the legislature, or an agency as authorized by the legislature, establishes the personal qualifications necessary to engage in, and the rules and regulations that govern, any occupation or profession. "Occupational license" does not include an occupational license regulated by the behavioral sciences regulatory board, board of examiners in optometry, board of nursing, Kansas dental board, state board of healing arts, state board of pharmacy or an occupational license for a healthcare provider regulated by any other agency. "Occupational license" does not include an occupational license regulated by the state board of technical professions.
 - (c) "Welfare" means the protection of the public against fraud or

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physical or psychological harm. "Welfare" does not include the protection of businesses or agencies, whether publicly or privately owned, against competition.

- Sec. 2. (a) (1) Notwithstanding any other provision of law, any occupational license requirement pursuant to state statute or agency rules and regulations that is in effect on July 1, 2025, shall terminate on July 1, 2030, and shall not be effective on or after such date, unless the legislature acts to continue the requirement as provided by subsection (b) or the requirement continues in effect pursuant to subsection (d).
- (2) Any occupational license requirement that is adopted by an agency or enacted by the legislature on and after July 1, 2025, shall terminate five years after such occupational license requirement takes effect, unless the legislature acts to continue the requirement as provided by subsection (b) or the requirement continues in effect pursuant to subsection (d). A law that enacts a new occupational license requirement or rule and regulation that adopts a new occupational license requirement shall state that the requirement will terminate and no longer be in effect on the specified date that is five years from the effective date of the requirement and that the requirement shall be subject to review and continuation by the legislature before such termination date.
- (b) (1) Any occupational license requirement that is subject to termination pursuant to subsection (a)(1) or (2) may be continued for a term of five years by a joint resolution of the legislature upon consideration of a review of the requirement pursuant to paragraph (2).
- (2) Before an occupational license requirement may be continued by the legislature as provided by paragraph (1), a standing committee of the house of representatives and the senate to which legislation of the subject matter pertaining to the occupational license requirement is customarily referred, as determined by the speaker of the house of representatives and the president of the senate, as applicable, shall each conduct a review of the occupational license requirement at such time that the matter is referred to such committee. Such review shall include a presentation by legislative research staff of the report to the committee prepared by legislative research staff pursuant to subsection (c). Each such committee shall provide a written recommendation to the speaker of the house of representatives and the president of the senate, as applicable, for distribution to and consideration by the legislature. The report prepared by staff pursuant to subsection (c) shall be included in such written recommendation. At the discretion of the speaker of the speaker of the house of representatives and president of the senate, the occupational licensing requirement may also be referred to the joint committee on administrative rules and regulations, or a successor committee, for review. The joint committee shall provide written recommendations upon such

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 review to the speaker of the house of representatives and the president of the senate for distribution to and consideration by the legislature.

- (c) (1) The chairperson of a standing committee of the house of representatives or the senate reviewing an occupational license requirement as provided by subsection (b) shall assign staff from the Kansas legislative research department to conduct a review of the requirement and prepare a written report to the committee. The report shall be presented to the committee for review within two weeks of assignment by the chairperson.
 - (2) The report shall include:
- (A) An explanation of the public health, safety or welfare objectives that the occupational licensing requirement is intended to serve;
- (B) a retrospective analysis to determine whether the presumed benefits of the requirement are being realized;
- (C) an examination of available alternative measures to meet the objectives of the requirement or possible modified objectives, including voluntary certification and other potential less restrictive measures;
- (D) an explanation of any determination as to whether the requirement remains the least restrictive means to achieve its stated purpose;
- (E) an examination of and comparison with other states as to whether and how the profession at issue is regulated;
- (F) an examination of the effect that the requirement has had on job creation or retention; and
- (G) an examination of the costs and benefits associated with the requirement, including, but not limited to, an estimate of:
- (i) Compliance and opportunity costs, including licensing fees, education requirements and associated costs, experience requirements and an estimation of the total number of calendar days dedicated by an applicant to obtaining the license;
 - (ii) any identified secondary or indirect costs; and
- (iii) the effect on state expenditures, including estimated administrative expenses.
- (d) (1) The secretary of state shall monitor the termination date of occupational license requirements adopted in rules and regulations filed with the secretary and provide notice to the agency that adopted such requirements at least 18 months prior to every such occupational license requirement's termination date. The secretary of state shall identify and certify to the speaker of the house of representatives and the president of the senate the termination date of such occupational license requirement at the time notice is provided to the agency. Any occupational license requirement with a termination date that has not been identified and noticed to the relevant agency and the speaker of the house of

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representatives and the president of the senate by the secretary shall not terminate on such termination date but shall remain in effect until the date that is 18 months from the date such identification and notice is provided to the agency and the speaker of the house of representatives and the president of the senate by the secretary.

- (2) By July 15 of the year preceding the year in which the an occupational license requirement specified in statute will terminate, the revisor of statutes shall certify to the speaker of the house of representatives and the president of the senate the language and statutory citation of each such requirement that will terminate in the following year. Any occupational license requirement that is not identified and certified to the speaker of the house of representatives and the president of the senate as provided by this paragraph shall not terminate but shall continue in effect until so identified and certified and reviewed by the legislature as provided by this act. If the revisor of statutes fails to certify an occupational license requirement that the revisor subsequently determines should have been certified, the revisor shall include the occupational license requirement in the following year's certification after such determination. If the legislature fails to review and consider an occupational license requirement specified in statute that has been identified and noticed to the legislature by the revisor of statutes, such requirement shall remain in effect until such review and consideration.
- Sec. 3. (a) Any occupational license requirement adopted by an agency on or after July 1, 2025, shall require approval of the legislature by joint resolution pursuant to this section before the requirement shall take effect, unless such requirement has been ratified by the legislature by the enactment of a bill pursuant to the provisions of K.S.A. 2024 Supp. 77-441, and amendments thereto.
- (b) (1) Before consideration by the legislature of a joint resolution approving an occupational license requirement proposed for adoption by an agency, a standing committee of the house of representatives and the senate to which legislation of the subject matter pertaining to the occupational license requirement is customarily referred, as determined by the speaker of the house of representatives and the president of the senate, as applicable, shall each conduct a review of the proposed occupational license requirement, including a review of the report by staff pursuant to paragraph (2), at such time as the matter is referred to such committee. Each such committee shall provide a written recommendation regarding adoption or denial of the requirement to the speaker of the house of representatives and the president of the senate, as applicable, for distribution and consideration by the legislature. The report prepared by staff pursuant to paragraphs (2) and (3) shall be included in such written recommendation.

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(2) The chairperson of a standing committee of the house of representatives or the senate reviewing an occupational license requirement as provided by paragraph (1) shall assign staff from the Kansas legislative research department to conduct a review of the requirement and prepare a written report to the committee. The report shall be presented to the committee for review by legislative research staff within two weeks of assignment by the chairperson.

- (3) The report shall include:
- (A) An analysis and explanation as to why the occupational license requirement is necessary to protect public health, safety or welfare;
- (B) an examination of available alternative measures, including voluntary certification and other potential less restrictive measures;
- (C) an analysis as to whether the requirement is the least restrictive means to achieve its stated purpose;
- (D) an examination of and comparison as to whether and how other states regulate the profession at issue;
- (E) an examination of the effect that the requirement will have on job creation or retention; and
- (F) an examination of the costs and benefits associated with the requirement, including, but not limited to:
- (i) Estimated compliance and opportunity costs, including licensing fees, education requirements and associated costs, experience requirements and an estimation of the total number of calendar days dedicated by an applicant to obtaining the license;
 - (ii) estimated secondary or indirect costs; and
- (iii) estimated effect on state expenditures, including estimated administrative expenses.
- Sec. 4. This act shall take effect and be in force from and after its 29 publication in the statute book.