As Amended by House Committee

Session of 2023

HOUSE BILL No. 2388

By Committee on Commerce, Labor and Economic Development

2-9

AN ACT concerning occupational regulation; relating to occupational 1 licenses; requiring that licensing bodies provide verified electronic 2 3 credentials, in addition to paper-based credentials, to all credential 4 holders, including military servicemembers and others receiving 5 Kansas credentials based on their credentials from other jurisdictions; requiring licensing bodies to use centralized electronic credential data 6 7 management systems capable of providing instantaneous credential 8 verification; mandating that such systems maintain an auditable record; 9 excepting certification of law enforcement officers from such 10 electronic credential requirements and other provisions; amending K.S.A. 2022 Supp. 48-3406 and repealing the existing section. 11

12

WHEREAS, The legislature recognizes that many working Americans,
 particularly military families, rely on a professional license for
 employment and that transferability of licensing between states has
 become expensive and time consuming; and

WHEREAS, Transferable occupational licensing, eased requirements
 on license reciprocity for military families and expediting key elements of
 the licensing process represents a creative approach to ensure that our state
 can accommodate as many professionals as possible; and

WHEREAS, Every professional in Kansas should have continuous
 access, accurate tracking and easy organization of electronic credentials;
 and

WHEREAS, Kansans and licensing bodies should be able to instantly verify the authenticity of a professional's credential to prevent fraud and keep Kansans safe.

27 Now, therefore:

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

Section 1. K.S.A. 2022 Supp. 48-3406 is hereby amended to read as
follows: 48-3406. (a) For the purposes of this section:

(1) "Applicant" means an individual who is a military spouse,
 military servicemember or an individual who has established or intends to
 establish residency in this state. "Applicant" with respect to law enforcement certification by the Kansas commission on peace officers'

- standards and training means an applicant who has met the employment 1 2 requirement pursuant to K.S.A. 74-5605(a), and amendments thereto.

30

(2) "Complete application" means the licensing body has received all 3 forms, fees, documentation, a signed affidavit stating that the application 4 information, including necessary prior employment history, is true and 5 6 accurate and any other information required or requested by the licensing 7 body for the purpose of evaluating the application, consistent with this 8 section and the rules and regulations adopted by the licensing body pursuant to this section. If the licensing body has received all such forms, 9 fees, documentation and any other information required or requested by 10 the licensing body, an application shall be deemed to be a complete 11 12 application even if the licensing body has not yet received a criminal background report from the Kansas bureau of investigation. 13

"Electronic credential" or "electronic certification, license or 14 (3) **registration**" *means an electronic method by which a person may display* 15 16 or transmit to another person information that verifies the status of a 17 person's certification, licensure, registration or permit; as authorized by 18 a licensing body and is equivalent to a paper-based certification, 19 license, registration or permit.

(4) "Licensing body" means an official, agency, board or other entity 20 21 of the state-which that authorizes individuals to practice a profession in 22 this state and issues a license, registration, certificate, permit or other 23 authorization to an individual so authorized.

24 (4)(5) "Military servicemember" means a current member of any 25 branch of the United States armed services. United States military reserves or national guard of any state or a former member with an honorable 26 27 discharge.

28 (5)(6) "Military spouse" means the spouse of a military 29 servicemember.

(6)(7) "Person" means a natural person.

"Private certification" means a voluntary program in which a 31 (8) 32 private organization grants nontransferable recognition to an individual 33 who meets personal qualifications and standards relevant to performing the 34 occupation as determined by the private organization.

(7)(8)(9) "Scope of practice" means the procedures, actions, 35 36 processes and work that a person may perform under a government issued 37 license, registration or certification.

38 (9)(10) "Verification system" means an electronic method by which 39 the authenticity and validity of electronic credentials are verified.

(b) Notwithstanding any other provision of law, any licensing body 40 shall, upon submission of a complete application, issue a *paper-based and* 41 verified electronic license, registration or certification to an applicant as 42 43 provided by this section, so that the applicant may lawfully practice the 1 person's occupation. Any licensing body may satisfy any requirement 2 under this section to provide a paper-based license, registration, 3 certification or permit in addition to an electronic license, registration, 4 certification or permit by issuing such electronic credential to the 5 applicant in a format that permits the applicant to print a paper copy 6 of such electronic credential. Such paper copy shall be considered a 7 valid license, registration, certification or permit for all purposes.

8 (c) An applicant who holds a valid current license, registration or 9 certification in another state, district or territory of the United States shall 10 receive a *paper-based and verified electronic* license, registration or 11 certification:

12 (1) If the applicant qualifies under the applicable Kansas licensure, 13 registration or certification by endorsement, reinstatement or reciprocity statutes, then pursuant to applicable licensure, registration or certification 14 by endorsement, reinstatement or reciprocity statutes of the licensing body 15 16 of this state for the license, registration or certification within 15 days from 17 the date a complete application was submitted if the applicant is a military servicemember or military spouse or within 45 days from the date a 18 19 complete application was submitted for all other applicants; or

(2) if the applicant does not qualify under the applicable licensure,
registration or certification by endorsement, reinstatement or reciprocity
statutes of the licensing body of this state, or if the Kansas professional
practice act does not have licensure, registration or certification by
endorsement, reinstatement or reciprocity statutes, then the applicant shall
receive a license, registration or certification as provided herein if, at the
time of application, the applicant:

27 (A) Holds a valid current license, registration or certification in 28 another state, district or territory of the United States with licensure, 29 registration or certification requirements that the licensing body 30 determines authorize a similar scope of practice as those established by the 31 licensing body of this state, or holds a certification issued by another state 32 for practicing the occupation but this state requires an occupational 33 license, and the licensing body of this state determines that the 34 certification requirements certify a similar scope of practice as the 35 licensing requirements established by the licensing body of this state;

(B) has worked for at least one year in the occupation for which thelicense, certification or registration is sought;

38 (C) has not committed an act in any jurisdiction that would have 39 constituted grounds for the limitation, suspension or revocation of the 40 license, certificate or registration, or that the applicant has never been 41 censured or had other disciplinary action taken or had an application for 42 licensure, registration or certification denied or refused to practice an 43 occupation for which the applicant seeks licensure, registration or 1 certification;

2 (D) has not been disciplined by a licensing, registering, certifying or 3 other credentialing entity in another jurisdiction and is not the subject of 4 an unresolved complaint, review procedure or disciplinary proceeding 5 conducted by a licensing, registering, certifying or other credentialing 6 entity in another jurisdiction nor has surrendered their membership on any 7 professional staff in any professional association or society or faculty for 8 another state or jurisdiction while under investigation or to avoid adverse 9 action for acts or conduct similar to acts or conduct that would constitute 10 grounds for disciplinary action in a Kansas practice act;

(E) does not have a disqualifying criminal record as determined bythe licensing body of this state under Kansas law;

13 (F) provides proof of solvency, financial standing, bonding or 14 insurance if required by the licensing body of this state, but only to the 15 same extent as required of any applicant with similar credentials or 16 experience;

17

(G) pays any fees required by the licensing body of this state; and

18 (H) submits with the application a signed affidavit stating that the 19 application information, including necessary prior employment history, is 20 true and accurate.

21 Upon receiving a complete application and the provisions of subsection 22 (c)(2) apply and have been met by the applicant, the licensing body shall 23 issue the license, registration or certification within 15 days from the date 24 a complete application was submitted by a military servicemember or 25 military spouse, or within 45 days from the date a complete application 26 was submitted by an applicant who is not a military servicemember or 27 military spouse, to the applicant on a probationary basis, but may revoke 28 the license, registration or certification at any time if the information 29 provided in the application is found to be false. The probationary period 30 shall not exceed six months. Upon completion of the probationary period, 31 the license, certification or registration shall become a non-probationary 32 license, certification or registration.

33 (d) Any applicant who has not been in the active practice of the 34 occupation during the two years preceding the application for which the 35 applicant seeks a license, registration or certification under subsection (c) 36 (2) may be required to complete such additional testing, training, 37 monitoring or continuing education as the Kansas licensing body may 38 deem necessary to establish the applicant's present ability to practice in a 39 manner that protects the health and safety of the public, as provided by 40 subsection (j).

41 (e) Upon submission of a complete application, an applicant may
42 receive an occupational license, registration or certification based on the
43 applicant's work experience in another state, if the applicant:

1 (1) Worked in a state that does not use an occupational license, 2 registration, certification or private certification to regulate an occupation, 3 but this state uses an occupational license, registration or certification to 4 regulate the occupation;

5 (2) worked for at least three years in the occupation during the four 6 years immediately preceding the application; and

7

(3) satisfies the requirements of subsection (c)(2)(C) through (H).

8 (f) Upon submission of a complete application, an applicant may 9 receive an occupational license, registration or certification under 10 subsection (b) based on the applicant's holding of a private certification 11 and work experience in another state, if the applicant:

(1) Holds a private certification and worked in a state that does not
 use an occupational license or government certification to regulate an
 occupation, but this state uses an occupational license or government
 certification to regulate the occupation;

16 17 (2) worked for at least two years in the occupation;

(3) holds a current and valid private certification in the occupation;

(4) is held in good standing by the organization that issued the privatecertification; and

20

(5) satisfies the requirements of subsection (c)(2)(C) through (H).

21 (g) An applicant licensed, registered or certified under this section 22 shall be entitled to the same rights and subject to the same obligations as 23 are provided by the licensing body for Kansas residents, except that 24 revocation or suspension of an applicant's license, registration or 25 certificate in the applicant's state of residence or any jurisdiction in which the applicant held a license, registration or certificate shall automatically 26 27 cause the same revocation or suspension of such applicant's license, 28 registration or certificate in Kansas. No hearing shall be granted to an 29 applicant where such applicant's license, registration or certificate is 30 subject to such automatic revocation or suspension, except for the purpose 31 of establishing the fact of revocation or suspension of the applicant's 32 license, registration or certificate by the applicant's state of residence or 33 jurisdiction in which the applicant held a license, registration or certificate.

34 (h) In the event the licensing body determines that the license, 35 registration or certificate currently held by an applicant under subsection 36 (c)(2) or the work experience or private credential held by an applicant 37 under subsections (e) or (f), who is a military spouse or military 38 servicemember does not authorize a similar scope of practice as the 39 license, registration or certification issued by the licensing body of this 40 state, the licensing body shall issue a temporary permit for a limited period 41 of time to allow the applicant to lawfully practice the applicant's 42 occupation while completing any specific requirements that are required in 43 this state for licensure, registration or certification that were not required

in the state, district or territory of the United States in which the applicant 1 was licensed, registered, certified or otherwise credentialed, unless the 2 3 licensing body finds, based on specific grounds, that issuing a temporary 4 permit would jeopardize the health and safety of the public.

5 (i) In the event the licensing body determines that the license, 6 registration or certification currently held by an applicant under subsection 7 (c)(2) or the work experience or private credential held by an applicant 8 under subsections (e) or (f), who is not a military spouse or military 9 servicemember, does not authorize a similar scope of practice as the 10 license, registration or certification issued by the licensing body of this state, the licensing body may issue a temporary permit for a limited period 11 of time to allow the applicant to lawfully practice the applicant's 12 13 occupation while completing any specific requirements that are required in this state for licensure, registration or certification that was not required in 14 15 the state, district or territory of the United States in which the applicant 16 was licensed, registered, certified or otherwise credentialed, unless the 17 licensing body finds, based on specific grounds, that issuing a temporary 18 permit would jeopardize the health and safety of the public.

19 (i) Any testing, continuing education or training requirements 20 administered under subsection (d), (h) or (i) shall be limited to Kansas law 21 that regulates the occupation and that are materially different from or 22 additional to the law of another state, or shall be limited to any materially 23 different or additional body of knowledge or skill required for the 24 occupational license, registration or certification in Kansas.

25 (k) A licensing body may grant licensure, registration, certification or 26 a temporary permit to any person who meets the requirements under this 27 section but was separated from such military service under less than 28 honorable conditions or with a general discharge under honorable 29 conditions.

(1) Nothing in this section shall be construed to apply in conflict with 30 31 or in a manner inconsistent with federal law or a multistate compact, or a 32 rule or regulation or a reciprocal or other applicable statutory provision 33 that would allow an applicant to receive a license. Nothing in this section 34 shall be construed as prohibiting a licensing body from denying any 35 application for licensure, registration or certification, or declining to grant 36 a temporary or probationary license, if the licensing body determines that 37 granting the application may jeopardize the health and safety of the public.

38 (m) Nothing in this section shall be construed to be in conflict with 39 any applicable Kansas statute defining the scope of practice of an 40 occupation. The scope of practice as provided by Kansas law shall apply to 41 applicants under this section.

42 (n) Notwithstanding any other provision of law, during a state of 43 emergency declared by the legislature, a licensing body may grant a

temporary emergency license to practice any profession licensed, certified, registered or regulated by the licensing body to an applicant whose qualifications the licensing body determines to be sufficient to protect health and safety of the public and may prohibit any unlicensed person from practicing any profession licensed, certified, registered or regulated by the licensing body.

7 (o) Not later than January 1, 2025, licensing bodies-may shall 8 provide paper-based and verified electronic credentials to persons 9 regulated by the licensing body. For purposes of this subsection, "electronic credential" means an electronic method by which a person may 10 display or transmit to another person information that verifies a person's 11 eertification, licensure, registration or permit. A licensing body may 12 prescribe the format or requirements of the electronic credential to be used 13 14 by the licensing body. Any statutory or regulatory requirement to display, post or produce a credential issued by a licensing body may be satisfied by 15 16 the proffer of an electronic credential authorized by the licensing body. 17 Licensing bodies shall utilize a central electronic record system to issue, 18 revoke, suspend and maintain oversight of electronic credentials. A 19 licensing body may use a third-party electronic credential system that is 20 not maintained by the licensing body.

21 (p) On or before January 1, 2025, and subject to appropriations 22 therefore, the secretary of administration shall develop and implement 23 a central electronic record system for the purpose of maintaining a 24 central record of electronic credentials issued, renewed, revoked or 25 suspended by licensing bodies or that have expired or otherwise changed in status. The secretary of administration may utilize the 26 27 services or facilities of a third party for the central electronic record 28 system. The central electronic record system shall comply with the 29 requirements adopted by the information technology executive council pursuant to K.S.A. 75-7203, and amendments thereto. Beginning 30 31 January 1, 2025, each licensing body shall provide a report to the 32 central electronic record system in the manner and format required 33 by the secretary of administration indicating any issuance, renewal, 34 revocation, suspension, expiration or other change in status of an 35 electronic credential that has occurred prior to the report, or if a 36 previous report has been provided, that has occurred since such 37 previous report. Such report shall be provided each business day and 38 include only information necessary to identify the electronic credential 39 and to verify the issuance or status change. No charge for the 40 establishment or maintenance of the central electronic record system shall be imposed on any licensing body or any person with a license, 41 registration, certification or permit issued by a licensing body. Such 42 central electronic-eredential record system shall include-a an 43

1

2

32

34

instantaneous verification system that is operated by the licensing body or its secretary or the secretary's third-party agent on behalf of the

licensing body for the purpose of *instantly* verifying the authenticity and
validity of electronic credentials issued by the licensing body. Central *electronic-credential* record systems shall maintain an auditable record of *credentials issued by each licensing body.*

7 (q) Nothing in this section shall be construed as prohibiting or 8 preventing a licensing body from developing, operating, maintaining 9 or using a separate electronic credential system of the licensing body 10 or of a third-party in addition to making the reports to the central 11 electronic record system required by subsection (p) or participating in 12 a multistate compact or a reciprocal licensure, registration or 13 certification process.

(p)(r) Each licensing body shall adopt rules and regulations necessary
 to implement and carry out the provisions of this section.

(q)(s) This section shall not apply to the practice of law or the
regulation of attorneys pursuant to K.S.A. 7-103, and amendments thereto,
or to the certification of law enforcement officers pursuant to the
Kansas law enforcement training act, K.S.A. 74-5601 et seq., and
amendments thereto.

21 (r)(t) The state board of healing arts and the state board of technical 22 professions, with respect to an applicant who is seeking a license to 23 practice professional engineering or engage in the practice of engineering, as defined in K.S.A. 74-7003, and amendments thereto, may deny an 24 25 application for licensure, registration or certification, or decline to grant a temporary or probationary license, if the board determines the applicant's 26 27 qualifications are not substantially equivalent to those established by the 28 board. Such boards shall not otherwise be exempt from the provisions of 29 this act

30 (s)(u) This section shall apply to all licensing bodies not excluded 31 under subsection (q), including, but not limited to:

- (1) The abstracters' board of examiners;
- 33 (2) the board of accountancy;
 - (3) the board of adult care home administrators;
- (4) the secretary for aging and disability services, with respect to
 K.S.A. 65-5901 et seq. and <u>K.S.A.</u> 65-6503 et seq., and amendments
 thereto;
- 38 (5) the Kansas board of barbering;
- 39 (6) the behavioral sciences regulatory board;
- 40 (7) the Kansas state board of cosmetology;
- 41 (8) the Kansas dental board;
- 42 (9) the state board of education;
- 43 (10) the Kansas board of examiners in fitting and dispensing of

- 1 hearing instruments;
 - (11) the board of examiners in optometry;
 - (12) the state board of healing arts, as provided by subsection (r);
- 4 (13) the secretary of health and environment, with respect to K.S.A.
- 5 82a-1201 et seq., and amendments thereto;
- 6 (14) the commissioner of insurance, with respect to K.S.A. 40-241 7 and 40-4901 et seq., and amendments thereto;
- 8 (15) the state board of mortuary arts;
 - (16) the board of nursing;
- 10 (17) the state board of pharmacy;
- 11 (18) the Kansas real estate commission;
- 12 (19) the real estate appraisal board;
- 13 (20) the state board of technical professions, as provided by 14 subsection (r); and
- 15

2

3

9

(21) the state board of veterinary examiners.

16 (t)(v) All proceedings pursuant to this section shall be conducted in 17 accordance with the provisions of the Kansas administrative procedure act 18 and shall be reviewable in accordance with the Kansas judicial review act.

19 (u)(w) Commencing on July 1, 2021, and each year thereafter, each 20 licensing body listed in subsection (s)(1) through (21) shall provide a 21 report for the period of July 1 through June 30 to the director of legislative 22 research by August 31 of each year, providing information requested by 23 the director of legislative research to fulfill the requirements of this 24 subsection. The director of legislative research shall develop the report 25 format, prepare an analysis of the reports and submit and present the analysis to the office of the governor, the committee on commerce, labor 26 27 and economic development of the house of representatives, the committee 28 on commerce of the senate, the committee on appropriations of the house 29 of representatives and the committee on ways and means of the senate by 30 January 15 of the succeeding year. The director's report may provide any 31 analysis the director deems useful and shall provide the following items, 32 detailed by applicant type, including military servicemember, military 33 spouse and non-military individual:

34 (1) The number of applications received under the provisions of this35 section;

- 36
- (2) the number of applications granted under this section;
- 37
- (3) the number of applications denied under this section;
- (4) the average time between receipt of the application andcompletion of the application;
- 40 (5) the average time between receipt of a complete application and 41 issuance of a license, certification or registration; and
- 42 (6) identification of applications submitted under this section where 43 the issuance of credentials or another determination by the licensing body

1 was not made within the time limitations pursuant to this section and the2 reasons for the failure to meet such time limitations.

All information shall be provided by the licensing body to the director of legislative research in a manner that maintains the confidentiality of all applicants and in aggregate form that does not permit identification of individual applicants.

- 7
- Sec. 2. K.S.A. 2022 Supp. 48-3406 is hereby repealed.
- 8 Sec. 3. This act shall take effect and be in force from and after its 9 publication in the statute book.