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## Research Brief

TO: Representative Mike Chenault FROM: Patricia Young, Manager

DATE: February 17, 2014

RE: Department of Revenue Responsibility for Licensing of Junk Dealers and Metal Scrappers

LRS Report 14.252

You asked for background information to explain the reason that, under AS 08.60.010, the Department of Revenue is responsible for licensing of junk dealers and metal scrappers.

Because the licensing of junk dealers and metal scrappers involved the payment of fees, the Department of Revenue inherited the provision through passage of duties from territorial offices to the newly created state offices. The Department of Revenue does not issue such licenses; instead, the Office of Business Licensing within the Department of Commerce, Community and Economic Development deals with junk dealers and metal scrappers.

The law requiring junk dealers and metal scrappers to obtain a license was originally enacted in 1939. At that time, individuals involved in those professions were to apply and pay for the license to the Territorial Treasurer. In 1949, with the publication of the Alaska Compiled Laws Annotated, the licensing office had changed (without explanation or apparent intervening legislation) to the Territorial Tax Commissioner.

Under Section 10 of the State Organization Act of 1959, the authority and functions previously held and performed by the Department of Taxation, the Commissioner of Taxation, the Department of Finance, the Director of Finance, and the Treasurer, "with respect to receipt, custody, investment and management of state funds ..." were transferred to the newly created Department of Revenue.<sup>2</sup>

Under Section 14 of the same act, the Department of Commerce was vested with

... duties, powers and responsibilities involved in the administration of the state programs relating to commerce ... and the furnishing of the budgeting, clerical and administrative services for regulatory agencies and professional and occupational licensing boards not otherwise provided for in this Act.

That the duty was not assigned to, but nevertheless performed by, the newly created Department of Commerce appears to have been because of the collection of fees, or possibly, because it was overlooked.

We hope this is helpful. If you have questions or need additional information, please let us know.

<sup>&</sup>lt;sup>1</sup> Chapter 24 Laws of Alaska 1939.

<sup>&</sup>lt;sup>2</sup> Section 10, Chapter 64 SLA 1959.