



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community,
and Economic Development

DIVISION OF ADMINISTRATIVE SERVICES

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February 9, 2022

The Honorable Bryce Edgmon
Chair, Finance Subcommittee for
Department of Commerce, Community, and Economic Development
State Capitol, Room 410
Juneau, AK 99801

Dear Representative Edgmon,

Thank you for the opportunity to present the Governor's FY2023 Budget to the House Finance Subcommittee for the Department of Commerce, Community, and Economic Development on January 25, 2022. Please find follow up items from the hearing below.

Provide additional information on the allocation and impact of the \$1.5 million unrestricted general fund revenue offset for FY2022 in the Division of Corporations, Business, and Professional Licensing.

In FY2022 the Division of Corporations, Business, and Professional Licensing (CBPL) was appropriated \$1.5 million of unrestricted general funds to offset planned fee increases to reduce the economic burden of license fee increases on regulated professionals. CBPL evaluates revenue and expenditure levels for each licensing program on a biennial basis and determines if the program has a revenue surplus or a revenue deficit, and if overall fee decreases or increases are needed. For professions with licensing boards, the board then determines the fee level for each area regulated by the board. For professions without licensing boards, individual fee levels are set by the division.

CBPL allocated the FY2022 general funds to professions that were projected to be in a revenue deficit, which would have otherwise required a fee increase. The general fund revenue was used in lieu of program receipt revenue for those professions and eliminates the need for a fee increase. A table of the impacted professions and the amount allocated per program is below.

Licensing Program	FY2022 Allocated Amount
Concert Promoters	\$ 1,594.68
Dental	\$ 264,166.75
Dispensing Opticians	\$ 22,781.11
Euthanasia Services	\$ 6,140.99
Guardians/Conservators	\$ 9,078.77
Marital & Family Therapy	\$ 52,049.88
Massage Therapists	\$ 215,187.37
Medical	\$ 215,314.15
Nursing	\$ 518,393.76
Nursing Home Administrators	\$ 13,767.71

Optometry	\$	97,463.52
Psychology	\$	36,489.39
Social Workers	\$	37,564.07
Veterinary	\$	10,007.84
Total	\$	1,500,000.00

Provide the salary and cost of an Actuary in the Division of Insurance.

Actuary positions in the Division of Insurance are fully exempt and currently allocated at range 25. The Division of Insurance currently has two permanent Actuary positions, both of which are located in Juneau. Currently an Actuary at step C would receive a salary of \$108,128 and have a total cost of \$172,543. The division is actively exploring innovative recruitment strategies for these positions, which may include proposing an increase to the salary for these positions to improve the State's ability to compete for qualified applicants.

Provide a status update on the gathering of email or other digital contact information for licensees in the Division of Corporations, Business, and Professional Licensing for the planned transition to digital renewal notices.

The Division of Corporations, Business, and Professional Licensing (CBPL) currently collects email addresses from licensees at initial licensure and upon renewal. The department also encourages licensees to opt-in to electronic renewal notices, and as of today 72% of the department's 88,892 professional licensees have opted in. CBPL is evaluating additional methods to encourage licensees to opt-in to electronic renewals and will communicate the change to electronic renewal notices to the professional licensing boards at upcoming board meetings. Professions renew on a biennial basis and renewal dates for professions are staggered throughout the year, so it will take some time to ensure that email addresses are available for all licensees. CBPL will continue to mail hard-copy renewal notices to the limited number of licensees who have not opted-in to electronic renewal notices until all licensees have provided email addresses and opted in.

Please let me know if any further questions or concerns arise.

Best regards,



Micaela Fowler

Administrative Services Director

cc: The Honorable Julie Sande, Commissioner Designee, Department of Commerce, Community, and Economic Development
Sabrina Javier, Fiscal Analyst, Legislative Finance Division
Kyle Scherrer, Budget Analyst, Office of Management and Budget
Hannah Lager, Division Operations Manager, Department of Commerce, Community, and Economic Development
Glenn Hoskinson, Special Assistant, Department of Commerce, Community, and Economic Development