



THE STATE  
of **ALASKA**  
GOVERNOR SEAN PARNELL

Department of Environmental  
Conservation

ENVIRONMENTAL HEALTH  
Director's Office

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October 24, 2013

Mr. Steve Ricci  
Legislative Aide, Senator Dunleavy  
State Capitol, Room 510  
Juneau, AK 99801-1182

Re: Request for Information on Fees

Dear Mr. Ricci,

Please accept my apologies for the delay in responding to your inquiry regarding the regulatory fees charged by the Division of Environmental Health. We reviewed as much historic information we could locate to give an overview of our fee structure.

While your inquiry was specifically about the Food Safety and Sanitation (FSS) program and the Environmental Health Laboratory (EHL), we have included information about the other two components in the Division of Environmental Health as well; Solid Waste Management (SW) and Drinking Water (DW). Some key points:

- Both the FSS and SW programs are approximately 45% funded by General Fund Program Receipts (GFPR), commonly referred to as fees.
- The DW and EHL programs are only 4% funded by GFPR; their fees for services are very limited.
- In 1991, the Alaska Department of Environmental Conservation (ADEC) was directed to establish and collect fees for permits and services rendered. (Detailed attachment provided.)
- In 1999, fees in the FSS program were increased due to a fund source change from General Funds (GF) to GFPR. Fees were increased only to the extent necessary to collect \$548.0 GFPR. At the same time, the program decreased inspection rates, closed offices, and eliminated positions to offset an additional \$339.0 GF decrement.
- In 2003, in response to legislative intent to reduce the FY2004 budget for food inspections, the Department eliminated six positions (overall reduction of \$653.6), and reduced the FSS program fees across the board by approximately \$50 per permit. Since that time, FSS program fees have remained the same.

There are two attachments included to provide detailed information regarding the fees charged by the Department of Environmental Conservation, Division of Environmental Health.

- Attachment A provides information on how fees were originally developed in response to budget cuts and a legislative directive included in Chapter 73 of the 1991 Session Laws which stated *"[i]t is the intent of the legislature that the department identify opportunities to establish and collect fees for permits and services rendered... and report back to the legislature... with an implementation plan for the collection of program receipts."* Provisions in Attachment A (pages 1-4 and 23-24) refer to programs currently in the Division of Environmental Health.
- Attachment B provides additional information on what considerations go into our current fee calculations.

Please let me know if you have any additional questions.

Sincerely,



Elaine Busse Floyd  
Director, Division of Environmental Health

2 Attachments:

Attachment A: Proposed "User Fee" Regulations: Background, Explanation, and Justification

Attachment B: Fee Calculations Methodology, History and Variables

Cc: Lena Simmons, Office of Management and Budget

Danith Watts, Legislative Finance Division

Tom Cherian, Administrative Services Director, Department of Environmental Conservation