



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Commerce, Community, and Economic Development

DIVISION OF CORPORATIONS, BUSINESS AND
PROFESSIONAL LICENSING

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March 26, 2013

Dear Alaska Professional Licensing Boards and Commissions:

Many of you have shared concerns about the biennial changes to the amount of licensing fees required by present law. With that in mind, HB 187 has been introduced this legislative session to incorporate three different means to mitigate the occurrence of significant fee changes during the fee-setting process.

If passed, HB 187 will allow for a) fee collection to balance revenues with expenses over multiple biennial licensing cycles, b) consolidation of certain fee types within a given program to reduce handling costs, and c) annual appropriation of general funds to offset the cost of professional licensing investigation and enforcement actions to protect the public.

Under HB 187, annual review of revenues and expenses would continue, and Boards and Commissions would continue to make recommendations on rate changes. Further, the legislature would annually consider an appropriation from the general fund to fund only the personal services costs of those employees of the Department who perform the investigative function. Professional licensees would continue to self-fund all other costs via licensing fees.

The Department values your support and invites all licensees and members of professional licensing Boards and Commissions to comment on this newly introduced bill.

If you have questions or comments, please contact me at 465-2538 or don.haberger@alaska.gov, with a copy to Sara Chambers, Professional Licensing Administrative Operations Manager, at sara.chambers@alaska.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Don Habeger".

Don Habeger
Director



The Honorable Kurt Olson, Chair
House Labor and Commerce Committee
Room 24
State Capitol Building
Juneau, Alaska 99801

April 1, 2013

RE: House Bill 187 Occupational Licensing Fees

Dear Representative Olson:

The Alaska Association of Realtors (AAR) has not had the opportunity to fully review House Bill 187 with our policy committee as the bill was just recently introduced. However, we very much appreciate the House Labor and Commerce Committee and the Department of Commerce, Community and Economic Development addressing the problem of licensing fees.

HB 187 appears to address the assignment of investigation costs that have historically been allocated to individual boards. AAR believes that the enforcement action against all professional licensees is truly a public benefit. Further, it allows the leveling out of fees over time rather than raising and lowering them each licensing period dependent on the uneven nature of investigations and the occasional "outlier" that would cause dramatic swings in licensing fees.

The bill contains language encouraging greater collaboration between the various boards and the Division of Corporations, Business and Professional Licensing. We as licensees of the Alaska Real Estate Commission (AREC) want to be sure that the AREC has the ability to perform both its regulatory and educational functions. We also want to be sure that the AREC has the ability to perform its fiduciary responsibility relative to the use of fees paid by its licensees.

We have not been able to engage in discussions with members of the AREC to gain their view of HB 187. We have had a meeting with the Division Director and appreciate the opportunity to begin to understand the intent of HB 187. It appears that the intent is positive and might well be helpful, yet we do need to fully review the language and its potential for unintended consequences.

While we reserve the right to continue to review HB 187 to assure that we fully understand all its ramifications, we believe that it is a positive step in addressing many important issues affecting licensees of the AREC. AAR would have no objection to the Labor and Commerce Committee moving this bill.

Sincerely,

A handwritten signature in blue ink that reads 'Dave Somers'.

Dave Somers
Chair, Industry Issues Committee

