



THE STATE
of **ALASKA**

GOVERNOR BILL WALKER

Department of Commerce, Community,
and Economic Development

DIVISION OF CORPORATIONS, BUSINESS AND
PROFESSIONAL LICENSING

P.O. Box 110806
Juneau, Alaska 99811-0806
Main: 907.465.2550
Fax: 907.465.2974

February 9, 2017

The Honorable Senator Mia Costello
Chair, Senate Labor & Commerce
State Capitol Room Beltz 105
Juneau, AK 99801

Dear Senator Costello,

During the Senate Labor & Commerce Committee hearings on February 7, we were asked to follow up on questions concerning SB45:

What is the penalty for unlicensed practice by contractors?

AS 08.18.125 allows for an administrative fine of \$1,000 for the first offense and \$1,500 for the second or subsequent offense.

What is the cost to obtain a contractor's license?

Application fee for initial registration or residential endorsement:	\$ 65
New license	\$235
Renewal License	\$235

Is it true that in 2013 almost half of the new construction home sales in the Mat-Su area were from unlicensed construction companies as claimed by the Mat-Su Home Builders Association?

The division does not track the number of homes built or sold. The Department of Labor and Workforce Development reported that they conducted 315 inspections to what appeared to be new homes in Mat-Su in calendar year 2013. On 75 of those new homes, they were unable to determine who the builder was. Of the remaining 240 homes, they issued 8 Cease and Desist Orders and 7 Administrative Fines for failure to have proper licensure. Of those licensing actions, there were only three instances where the defendant was acting as an unlicensed homebuilder, the remaining were for unlicensed sub-contractors.

We believe this completes the follow up from the questions posed to the Department. If you or any members of the committee have further questions or require additional information about anything provided here, please contact special assistant Micaela Fowler at 465-2503.

Sincerely,

A handwritten signature in cursive script that reads "Janey Hovenden".

Janey Hovenden, Director