

# Occupational Licensing Fees

## HB 314



**Sylvan Robb, CBPL Director**

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT

House Labor & Commerce Committee

2/23/2024

# What Does HB 314 Do?

- Removes investigation, legal, and hearing costs from the “regulatory costs” covered by professional license fees as required under AS 08.01.065.
- Shifts funding for investigations and hearings from professional licensing fees (1156) to corporations' fees (1005) so the division remains self-sufficient.



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# AS 08.01.065(a) & (c) Currently

(a) Except for business licenses, the department shall adopt regulations that establish the amount and manner of payment of application fees, examination fees, license fees, registration fees, permit fees, **investigation fees**, and all other fees as appropriate for the occupations covered by this chapter.

(c) Except as provided in (f) – (k) of this section, **the department shall establish fee levels under (a) of this section so that the total amount of fees collected for an occupation approximately equals the actual regulatory costs for the occupation.** The department shall annually review each fee level to determine whether the regulatory costs of each occupation are approximately equal to fee collections related to that occupation. If the review indicates that an occupation's fee collections and regulatory costs are not approximately equal, the department shall calculate fee adjustments and adopt regulations under (a) of this section to implement the adjustments. In January of each year, the department shall report on all fee levels and revisions for the previous year under this subsection to the office of management and budget. If a board regulates an occupation covered by this chapter, the department shall consider the board's recommendations concerning the occupation's fee levels and regulatory costs before revising fee schedules to comply with this subsection....



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# Primary Reasons for HB 314

- Currently volatile license fee rates would stabilize, as investigations, legal, and hearing costs are the most variable element of the fee setting equation.
- Licensing fees would be reduced for many programs, helping in the effort to attract professionals to Alaska.
- This would be fairer to Alaska's professional licensees who comply with the laws regulating their profession as law-abiding professionals would no longer bear the cost of investigations of licensees who have potentially violated licensing laws and/or on individuals practicing without a license.
- Remove a potential disincentive to report members of their profession.



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# Example of Substantial Fee Increases in Past Years

- **Certified Direct-Entry Midwife Certificate Fees :**
  - In FY2017 initial and renewal application fee increased from \$1,750 to \$3,800.
  - That was after an increase from \$1,450 to \$1,750 in 2016.
  - Fees have since been reduced to \$2,800.
- **Midwife Apprentices in 2015:**
  - Initial and Biennial Renewal Certification Fees increased from \$125 to \$825.
  - Initial and Biennial Renewal Certification Fees increased from \$825 to \$1,275.
  - Fees have since been reduced to \$550.



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# FY2023 Investigative Statistics

## FY 2023 Investigative Activity

July 1, 2022 – June 30, 2023

Classification	Total	Percentage of Total Amount	Difference from FY22 to FY23
Intakes	312	25%	-37%
Complaints	513	41%	-10%
Investigations	350	27%	+40%
Litigation/Monitored Cases	17	1%	-63%
Notice of Administrative Fines	6	<1%	-62%
Licensee Probation	26	2%	+44%
Division Inspections	38	3%	-22%
<b>Totals</b>	<b>1262</b>	<b>100%</b>	<b>-12%</b>
<b>Cases Resulting in License Action</b>	<b>230</b>	<b>18 %</b>	<b>-18%</b>



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# FY2023 Investigative Statistics (Cont.)

<b>Top Complaints Received by Division</b>	
<b>Continuing Education Violations</b>	303
<b>Unlicensed Practice or Activity</b>	178
<b>License Application Reviews</b>	146
<b>Violation of Licensing Regulation</b>	144
<b>Unprofessional Conduct</b>	77
<b>Falsified Application</b>	53
<b>Standard of Care</b>	28



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# FY2023 Investigative Statistics (Cont.)

Top 10 Programs Receiving Complaints		
Program	Complaints Received	Licenses
Board of Nursing	369	32,169
State Medical Board	164	9,221
Board of Pharmacy	138	6,428
Big Game Commercial Services Board	70	1,521
Board of Barbers and Hairdressers	67	7,086
Real Estate Commission	59	4,335
Board of Massage Therapists	54	1,232
Construction Contractors	43	10,290
Board of Social Work Examiners	43	1,351
Business Licesning	38	99,599
Board of Dental Examiners	38	3,355
<b>Total</b>	<b>1,083</b>	<b>176,587</b>



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# FY2023 Investigative Statistics (Cont.)

## Top 10 Professions Receiving Complaints

Profession	Complaints received
Registered Nurse	252
Physician	142
Massage Therapist	54
Certified Nurse Aide	53
Pharmacy	43
Real Estate Salesperson	42
Wholesale Drug Distributor	41
Dentist	38
Clinical Social Worker	37
Advanced Nurse Practitioner	37
<b>Total</b>	<b>739</b>



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# Thank you!

Sylvan Robb  
Division Director  
Corporations, Business, and Professional Licensing (CBPL)  
[Sylvan.Robb@alaska.gov](mailto:Sylvan.Robb@alaska.gov)  
(907) 465-2524



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