

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2

HOUSE BILL NO. 350

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

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For an Act entitled: "An Act relating to the transfer of business licens-
ing functions of the Department of Revenue to the
Department of Commerce and Economic Development; and
providing for an effective date."

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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* Section 1. AS 08.01.010 is amended by adding a new paragraph to read:

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(28) regulation of business licenses under AS 43.70.

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* Sec. 2. AS 08.01.050(a) is amended by adding a new paragraph to read:

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(21) issue business licenses under AS 43.70.

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* Sec. 3. AS 08.01.065 is amended to read:

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Sec. 08.01.065. FEES ESTABLISHED BY REGULATION. (a) Except for

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business licenses, the [THE] department shall adopt regulations that
establish the amount and manner of payment of application fees, exam-
ination fees, license fees, registration fees, permit fees, inves-
tigation fees, and all other fees as appropriate for the occupations
covered by this chapter.

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(b) The department may not adopt a regulation under (a) of this
section unless the board responsible for regulating the affected
occupation concurs.

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(c) A fee established under (a) of this section should reflect,
but should not exceed, the actual costs to the department of the
activity for which the fee is charged except that the department may
establish a fee that is less than the cost of the activity for which
the fee is charged if the department determines that it is not

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1 reasonable to impose the full cost of the activity on the applicant or
2 licensee. [THE ACTUAL OR ANTICIPATED COSTS TO THE DEPARTMENT OF
3 SERVICES PROVIDED TO OR ON BEHALF OF A BOARD MUST REFLECT, TO THE
4 EXTENT POSSIBLE, THE AMOUNT OF FEES THE DEPARTMENT COLLECTS FROM
5 PERSONS IN OCCUPATIONS REGULATED BY THE BOARD.]

6 (d) The license fee for a business license is set by
7 AS 43.70.030(a). The department shall adopt regulations that estab-
8 lish the manner of payment of the license fee.

9 (e) The commissioner of administration shall separately account
10 for business license and occupational licensing fees deposited in the
11 general fund by the department. The annual estimated balance in the
12 account may be used by the legislature to make appropriations to the
13 department to carry out the activities of the division of occupational
14 licensing.

15 * Sec. 4. AS 08.01.087 is amended to read:

16 Sec. 08.01.087. POWERS AND DUTIES OF DEPARTMENT. (a) The
17 department may, upon its own motion, conduct investigations (1) to
18 determine whether a person has violated a provision of this chapter or
19 a regulation adopted under it, or a provision of AS 43.70, or a
20 provision of this title or regulation adopted under this title dealing
21 with an occupation or board listed in AS 08.01.010;[,] or (2) to
22 secure information useful in the administration of this chapter.

23 (b) If it appears to the commissioner that a person has engaged
24 in or is about to engage in an act or practice in violation of a
25 provision of this chapter or a regulation adopted under it, or a
26 provision of AS 43.70, or a provision of this title or regulation
27 adopted under this title dealing with an occupation or board listed in
28 AS 08.01.010, the commissioner may, if the commissioner considers it
29 in the public interest, and after notification of a proposed order or

1 action by telephone or telegraph to all board members, if a board
2 regulates the act or practice involved, unless a majority of the
3 members of the board object within 10 days,

4 (1) issue an order directing the person to stop the act or
5 practice; however, reasonable notice of and an opportunity for a
6 hearing must first be given to the person, except that the commis-
7 sioner may issue a temporary order before a hearing is held; a tempo-
8 rary order remains in effect until a final order affirming, modifying,
9 or reversing the temporary order is issued or until 15 days after the
10 person receives the notice and has not requested a hearing by that
11 time; a temporary order becomes final if the person to whom the notice
12 is addressed does not request a hearing within 15 days after receiving
13 the notice; the commissioner or the commissioner's designee shall be
14 the hearing officer at the hearing and shall issue a final order
15 within 10 days after the hearing;

16 (2) bring an action in the superior court to enjoin the
17 acts or practices and to enforce compliance with this chapter, a
18 regulation adopted under it, an order issued under it, or with a
19 provision of this title or regulation adopted under this title dealing
20 with business licenses or an occupation or board listed in
21 AS 08.01.010;

22 (3) examine or have examined the books and records of a
23 person whose business activities require a business license or licen-
24 sure by a board listed in AS 08.01.010, or whose occupation is listed
25 in AS 08.01.010; the commissioner may require the person to pay the
26 reasonable costs of the examination; and

27 (4) issue subpoenas for the attendance of witnesses, and
28 the production of books, records and other documents.

29 * Sec. 5. AS 08.01.102 is amended to read:

1 Sec. 08.01.102. CITATION FOR UNLICENSED PRACTICE OR ACTIVITY.

2 The department may issue a citation for a violation of a license
3 requirement under this chapter or AS 43.70 [OF A BOARD OR PROFESSION
4 LISTED IN AS 08.01.010] if there is probable cause to believe a person
5 has practiced a profession or engaged in business for which a license
6 is required without holding the license. Each day a violation contin-
7 ues after a citation for the violation has been issued constitutes a
8 separate violation.

9 * Sec. 6. AS 08.01.110(4) is amended to read:

10 (4) "license" means a business license or a license, cer-
11 tificate, permit, or registration or similar evidence of authority
12 issued for an occupation or by one of the boards listed in
13 AS 08.01.010;

14 * Sec. 7. AS 43.70.020(a) is amended to read:

15 (a) For the privilege of engaging in a business in the state, a
16 person shall first apply, upon forms prescribed by the commissioner,
17 and obtain a license, and pay the license fee provided for in
18 AS 43.70.030. A license issued to a firm for a particular line of
19 business covers all its operations in the state in the line of busi-
20 ness regardless of the number of its establishments. A license issued
21 under this subsection must [SHALL] include

- 22 (1) the name and address of the licensee;
23 (2) the line of business to be conducted; [AND]
24 (3) the dates [YEAR] for which the license is issued; and
25 (4) the business name to be used by the licensee.

26 * Sec. 8. AS 43.70.030(a) is amended to read:

27 (a) The license fee for each business is \$25 per year.

28 * Sec. 9. AS 43.99.950 is amended to read:

29 Sec. 43.99.950. DEFINITIONS [DEFINITION]. Except in AS 43.70.

1 in [IN] this title

2 (1) "commissioner" means the commissioner of revenue [,
3 EXCEPT THAT IN RELATION TO BUSINESS LICENSES "COMMISSIONER" MEANS THE
4 COMMISSIONER OF COMMERCE AND ECONOMIC DEVELOPMENT]; and

5 (2) "department" means the Department of Revenue [, EXCEPT
6 THAT IN RELATION TO BUSINESS LICENSES "DEPARTMENT" MEANS THE DEPART-
7 MENT OF COMMERCE AND ECONOMIC DEVELOPMENT].

8 * Sec. 10. AS 43.70.020(b) and (c) are repealed.

9 * Sec. 11. This Act takes effect on the effective date of Executive
10 Order No. 68, transferring the Alaska business license program from the
11 Department of Revenue to the Department of Commerce and Economic Develop-
12 ment.