

SB

257

SENATE COMMITTEE REPORT

FURTHER:

5/1/87

DATE TURNED INTO OFFICE \_\_\_\_\_

Mr. President:

FINANCE \_\_\_\_\_ Committee considered SB 257

Alaska Business License Act; efd.

and recommended:

[ ] replace with CS FOR \_\_\_\_\_ ) [ ] same title  
[ ] or adopt \_\_\_\_\_ CS FOR \_\_\_\_\_ ) [ ] new title

[ ] attached amendment(s) and

[ ] do pass

[ ] do not pass

[ ] no recommendation

[ ] individual recommendations

[ ] further referral to \_\_\_\_\_

[ ] letter of intent adopted \_\_\_\_\_

Committee [ ] attached or [ ] adopted fiscal note(s)

[ ] new [ ] updated or [ ] previous  
[ ] zero [ ] fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
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\_\_\_\_\_  
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\_\_\_\_\_  
\_\_\_\_\_

[ ] Committee Backup Attached \_\_\_\_\_ Chairman signature and recommendation

223

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 4-23-87 5-DAY NOTICE  
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: FINANCE

\*\*FISCAL NOTE(S) ATTACHED  \*\*  
IN ACCORDANCE WITH AS 24.08.035  
(see below) \*\*Gov.s Fiscal Note attached\*\*

4/13/87 DATE TURNED INTO OFFICE 4/30/87  
Mr. President:

LABOR & COMMERCE Committee considered SB 257

Alaska Business License Act; -efd. *release information obtained under the act; efd*

and recommended:

replace with CS SB 257 (L+C)  same title  
 new title

attached amendment(s) and

*may* do pass

do not pass

no recommendation

individual recommendations

further referral to \_\_\_\_\_

letter of intent adopted and attached  
*new fiscal from Revenue*

\*\* Committee  attached or  adopted fiscal note(s)  
 zero  fiscal impact

*NEW  
FISCAL  
NOTE  
COMING FROM  
REVENUE*

MEMBERS SIGNING DO PASS

*Richard Althe (Do Pass)*  
*[Signature]*  
*[Signature]*

OTHER RECOMMENDATIONS

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*Tom Kelly - Do Pass*  
Chairman signature and recommendation

Committee Backup Attached

Original sponsor: Rules/Governor

1 IN THE SENATE

BY THE LABOR AND  
COMMERCE COMMITTEE

2 CS FOR SENATE BILL NO. 257 (L&C)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Business License Act;  
7 relating to release of information obtained under the  
8 Act; and providing for an effective date."

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

10 \* Section 1. AS 43.05.230 is amended by adding a new subsection to  
11 read:

12 (h) The department may release information received or collected  
13 by the department under AS 43.70 that is related to the legal or  
14 business names of licensees to the Department of Commerce and Economic  
15 Development for use in carrying out the statutory responsibilities of  
16 the Department of Commerce and Economic Development.

17 \* Sec. 2. AS 43.70.020(a) is amended to read:

18 (a) For the privilege of engaging in a business in the state, a  
19 person shall first apply, on [UPON] forms prescribed by the commis-  
20 sioner of revenue, and obtain a license, and pay the license fee  
21 provided for in AS 43.70.030. A license issued to a firm for a par-  
22 ticular line of business covers all of the firm's [ITS] operations in  
23 the state in the line of business regardless of the number of the  
24 firm's [ITS] establishments. A license issued under this subsection  
25 must [SHALL] include

- 26 (1) the name and address of the licensee;  
27 (2) the line of business to be conducted; [AND]  
28 (3) the year for which the license is issued; and  
29 (4) the business name to be used by the licensee.  
S

1 \* Sec. 3. AS 43.70.020(b) is repealed and reenacted to read:

2 (b) A license issued under this section is valid for two years  
3 after the date of issuance, except that if the licensee also holds a  
4 license issued by the Department of Commerce and Economic Development  
5 for an occupation listed in AS 08.01.010 or by a board listed in  
6 AS 08.01.010, the license issued under this section is valid for the  
7 same length of time as the license issued by the department or board.  
8 To renew a license issued under this section, the licensee must apply  
9 for renewal of the license and pay the renewal fee before the date the  
10 license expires.

11 \* Sec. 4. AS 43.70.030(a) is amended to read:

12 (a) The license fee for each business is \$25 for each year of  
13 the period for which the license is issued. The renewal fee is the  
14 same amount as the license fee.

15 \* Sec. 5. AS 43.70.090 is amended to read:

16 Sec. 43.70.090. REGULATIONS. The department may adopt regula-  
17 tions necessary to [DETERMINE AND] collect the fees imposed by this  
18 chapter [AND MAY ADOPT REGULATIONS DEFINING THE NECESSARY METHODS OF  
19 COMBINATION AND APPORTIONMENT FOR MULTISTATE FINANCIAL INSTITUTIONS  
20 REQUIRED TO FILE UNDER THIS CHAPTER].

21 \* Sec. 6. AS 43.70.020(c), 43.70.030(d), 43.70.040(a), 43.70.110(2),  
22 and 43.70.110(3) are repealed.

23 \* Sec. 7. This Act takes effect January 1, 1988.  
24  
25  
26  
27  
28  
29

Introduced: 4/13/87  
Referred: Labor & Commerce  
& Finance

wo00497s

1 IN THE SENATE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 257

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Business License Act;  
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17 (a) For the privilege of engaging in a business in the state, a  
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19 sioner of revenue, and obtain a license, and pay the license fee  
20 provided for in AS 43.70.030. A license issued to a firm for a par-  
21 ticular line of business covers all its operations in the state in the  
22 line of business regardless of the number of its establishments. A  
23 license issued under this subsection must [SHALL] include

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

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29 (b) A license issued under this section is valid for two years  
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3 for an occupation listed in AS 08.01.010 or by a board listed in  
4 AS 08.01.010, the license issued under this section is valid for the  
5 same length of time as the license issued by the department or board.  
6 To renew a license issued under this section, the licensee must apply  
7 for renewal of the license and pay the renewal fee before the date the  
8 license expires.

9 \* Sec. 4. AS 43.70.030(a) is amended to read:

10 (a) The license fee for each business is \$100 for each year of  
11 the period for which the license is issued. The renewal fee is the  
12 same amount as the license fee [625].

13 \* Sec. 5. AS 43.70.090 is amended to read:

14 Sec. 43.70.090. REGULATIONS. The department may adopt regula-  
15 tions necessary to [DETERMINE AND] collect the fees imposed by this  
16 chapter [AND MAY ADOPT REGULATIONS DEFINING THE NECESSARY METHODS OF  
17 COMBINATION AND APPORTIONMENT FOR MULTISTATE FINANCIAL INSTITUTIONS  
18 REQUIRED TO FILE UNDER THIS CHAPTER].

19 \* Sec. 6. AS 43.70.020(c), 43.70.030(d), 43.70.040(a), and 43.70.-  
20 110(2), and (3) are repealed.

21 \* Sec. 7. This Act takes effect January 1, 1988.

STATE OF ALASKA  
THE LEGISLATURE

P.O. Box V  
Juneau, Alaska 99811

SENATE SECRETARY'S OFFICE

TO

Kathy H. Fin

REMARKS:

Please attach  
to Bill

FROM

Nancy

DATE

6/4/

110 3/15

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

SENATE  
BILL VERSION: CSSB 257(L&C)  
PUBLISH DATE: 5/1/87

REQUEST \_\_\_\_\_

Revision Date: 5/1/87  
Title: "(...) Bus. Lic. Act; relating to  
release of information obtained (...)"  
Sponsor: Rules Com, request of Governor  
Requestor: Labor and Commerce

Agency Affected: Revenue  
BRU: Public Services Operating

Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	27.9	-	-	-	-
SUPPLIES	-	1.0	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	28.9	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	28.9	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	28.9	-	-	-	-

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

ANALYSIS:

(See attached)

Prepared By: Sally Smith *KW FOR*  
Division: Public Services

Phone: 465-2392  
Date: 5/1/87

Approved by Commissioner: [Signature]  
Agency: Revenue

Date: 5/1/87

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

No. 8/15

CONTINUATION OF FISCAL NOTE ANALYSIS

For Bill/Resolution No. CSSB 257 (LRC)

Estimated Expenditures:

<u>Contractual:</u>	<u>FY88</u>
Systems Analyst/Programmer 3 months at Range 18B (\$4,217 per month)	12.6
Printing notice to current licensees	1.1
Postage	13.2
Forms design and typesetting	1.0
<u>Supplies:</u> Envelopes	<u>1.0</u>
<u>Total</u>	<u>28.9</u>

No 232

STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date:

REQUEST

Bill/Resolution No: SB 257  
Title: An act relating to the issuance of business licenses and raising business license fees.  
Sponsor: \_\_\_\_\_  
Requestor: \_\_\_\_\_  
Date of Request: \_\_\_\_\_

FISCAL DETAIL

Agency Affected: 4-13-87  
BRU: \_\_\_\_\_  
Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	30.2	4.2	-	-	-	-
SUPPLIES	1.0	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LAND & STRUCTURES	-	-	-	-	-	-
GRANTS/CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	31.2	4.2	-	-	-	-

CAPITAL	-	-	-	-	-	-
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REVENUE	0	9653.4	2051.6	10300.8	3754.6	10300.8
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FUNDING: (Thousands of Dollars)

GENERAL FUND	31.2	4.2	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	31.2	4.2	-	-	-	-

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

ANALYSIS:

See attached

Prepared by: Linda Gene Lockridge Phone: 465-2392  
Division: Public Services Date: 12/10/86

Approved by: Walter B. Barber Date: 12-12-86  
For Commissioner: \_\_\_\_\_ Agency: Revenue

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management & Budget
- Impacted Agency(ies)

*new one coming from revenue*

CONTINUATION OF FISCAL NOTE ANALYSIS

For Bill/Resolution-No. 257

Estimated Revenue:

Revenue estimates are based on total business license receipts for each year shown. Renewals for a biennial license established in 1988 will be due every other year. There will be no renewal licenses in FY89.

Assumption: There will be a 17% per year decrease in new licenses issued through FY89, and a 2% per year decrease in renewal licenses issued through FY89. This is based on the decrease in sales from 1985 to 1986. After FY89 license sales will level off and remain steady.

With an effective date of 1/1/88, FY88 sales will only be for one-half the fiscal year. Assumption: 100% of renewal licenses and 50% of new licenses will be purchased during this six month period.

Estimated Expenditures:

<u>Contractual:</u>	<u>FY 87</u>	<u>FY 88</u>
Systems Analyst/Programmer		
2 months at Range 18B (\$4,217 per month)	8.4	
1 month at Range 18B (\$4,217 per month)		4.2
Printing notice to current licensees	1.1	
Postage	13.2	
Forms design and typesetting	7.5	
<u>Supplies:</u> Envelopes	<u>1.0</u>	<u>    </u>
<u>Total</u>	<u>31.2</u>	<u>4.2</u>

STEVE COWPER  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

sl 257

The Honorable Jan Faiks  
President of the Senate  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

Dear Senator Faiks:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to business licenses. This bill will ease the administrative backlog under the current system and will permit coordination between the Department of Revenue and the Department of Commerce and Economic Development with respect to the issuance of licenses necessary to conduct a business in the state.

The bill has three main components. First, sec. 2 of the bill will require an applicant for a business license to include in the application the business name that the applicant intends to use. This will permit the Department of Revenue to cross-reference information with the Department of Commerce and Economic Development, division of occupational licensing and division of banking, securities and corporations. Those divisions maintain their records by business name.

In connection with this amendment, sec. 1 of the bill would add a new AS 43.05.230(h) to allow the Department of Revenue to provide to the Department of Commerce and Economic Development information related to business or legal names of licensees. Existing AS 43.05.230(g) already makes the information contained in a business license public information.

Second, sec. 3 of the bill provides that a business license will be valid for a two-year period after the date of issuance rather than the current one-year period with simultaneous expiration, in order to ease the administrative backlog and delay that results from the department's processing of approximately 60,000 business licenses annually.

Third, sec. 4 of the bill raises the fee for an Alaska business license from \$25 per year, the rate that has been charged since 1949, to \$100 per year.

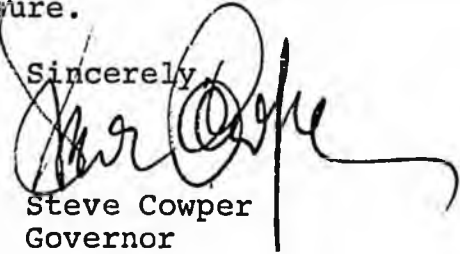
Hon. Jan Faiks

Page 2

Section 5 of the bill, amending AS 43.70.090, and sec. 6's repeal of AS 43.70.040(a) and 43.70.110(2) and (3), remove obsolete provisions related to former gross business tax provisions that were repealed by sec. 3, ch. 144, SLA 1978. AS 43.70.020(c) is repealed in sec. 6 of the bill simply because it refers to the calendar-year issuance of business licenses, and is not appropriate under the two-year schedule proposed in sec. 3 of the bill. The remaining repealer in sec. 6, AS 43.70.030(d), is necessary to remove reference to the \$25 license fee and because it, too, contains provisions related to the former gross business tax.

This bill will help alleviate some of the confusion confronting businesses in Alaska, who must register with both the Department of Revenue and the Department of Commerce and Economic Development. I urge your prompt and favorable action on this measure.

Sincerely,



Steve Cowper  
Governor

**ALASKA STATE LEGISLATURE**

**.15th** Legislature .. **1st** Session

SENATE BILL..... NO. 257.

By THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

"An Act relating to the Alaska  
Business License Act; and providing  
for an effective date."

Introduced in the Senate **4/13** ....., 19 **87** .....

**HISTORY IN THE SENATE**

19 87	Read first time and referred to Committee on <i>San fiscal impact rate</i> <b>Labor &amp; Commerce &amp; Finance</b> Reported back with <i>RKC</i> recommendation that <i>replace w/CS, 4 do pass, new fiscal impact from Revenue to Finance.</i>										
4 13											
5-1											
	Read second time and										
	Read third time and										
	<table border="0"> <tr><td>PASSED</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Excused</td><td>Excused</td></tr> <tr><td>Absent</td><td>Absent</td></tr> </table>	PASSED	Effective Date	Yeas	Yeas	Nays	Nays	Excused	Excused	Absent	Absent
PASSED	Effective Date										
Yeas	Yeas										
Nays	Nays										
Excused	Excused										
Absent	Absent										
	Reconsideration Reconsideration not taken up										
	<table border="0"> <tr><td>PASSED</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Excused</td><td>Excused</td></tr> <tr><td>Absent</td><td>Absent</td></tr> </table>	PASSED	Effective Date	Yeas	Yeas	Nays	Nays	Excused	Excused	Absent	Absent
PASSED	Effective Date										
Yeas	Yeas										
Nays	Nays										
Excused	Excused										
Absent	Absent										
	Reported correctly engrossed Signed by President Sent to House										

SECRETARY OF THE SENATE

**HISTORY IN THE HOUSE**

19	Read first time and referred to Committee on										
	Reported back with recommendation that										
	Read second time and										
	Read third time and										
	<table border="0"> <tr><td>PASSED</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Excused</td><td>Excused</td></tr> <tr><td>Absent</td><td>Absent</td></tr> </table>	PASSED	Effective Date	Yeas	Yeas	Nays	Nays	Excused	Excused	Absent	Absent
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PASSED	Effective Date										
Yeas	Yeas										
Nays	Nays										
Excused	Excused										
Absent	Absent										
	Reported correctly engrossed Signed by Speaker Returned to Senate										

CHIEF CLERK OF THE HOUSE

**HISTORY IN THE SENATE**

19	Received from House
	To enrolling
	Reported correctly enrolled
	Sent to Governor
	..... by Governor
	Chapter No. ....
	Filed with Lt. Governor

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

Bill Version: SB 257

Publish Date: \_\_\_\_\_

REQUEST

Revision Date: \_\_\_\_\_  
Title: "(...) Bus. Lic. Act; relating to release of information obtained (...)"  
Sponsor: Rules Com. by request of Governor  
Requestor: Labor

Agency Affected: Department of Revenue  
BRU: Public Services Operating

Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	27.9	-	-	-	-
SUPPLIES	-	1.0	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LAND & STRUCTURES	-	-	-	-	-	-
GRANTS/CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	28.9	-	-	-	-

CAPITAL	-	-	-	-	-	-
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REVENUE	-	9653.4	2051.6	10300.8	3754.6	10300.8
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-	28.9	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	28.9	-	-	-	-

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

ANALYSIS: Attach a separate page if necessary

Prepared by: Sally Smith  
Division: Public Services

Phone: 465-2392  
Date: 04/28/87

Approved by: [Signature]  
Commissioner: \_\_\_\_\_  
Agency: Revenue

Date: April 28, 1987

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management & Budget
- Impacted Agency(ies)
- Senate Secretary

RECEIVED  
MAY 01 1987

CONTINUATION OF FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 257

Estimated Revenue:

Revenue estimates are based on total business license receipts for each year shown. Renewals for a biennial license established in 1988 will be due every other year. There will be no renewal licenses in FY89.

Assumption: There will be a 17% per year decrease in new licenses issued through FY89, and a 2% per year decrease in renewal licenses issued through FY89. This is based on the decrease in sales from 1985 to 1986. After FY89 license sales will level off and remain steady.

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<u>Contractual:</u>	<u>FY 88</u>
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Forms design and typesetting	1.0
<u>Supplies:</u> Envelopes	<u>1.0</u>
<u>Total</u>	<u>28.9</u>