

CS FOR HOUSE BILL NO. 289(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - SECOND SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered: 3/11/24

Referred: Finance

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to regulating occupations; relating to business license fees; and**
2 **providing for an effective date."**

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

4 *** Section 1.** AS 08.01.065(c) is amended to read:

5 (c) Except as provided in **(f) - (l)** [(f) - (k)] of this section, the department shall
6 establish fee levels under (a) of this section so that the total amount of fees collected
7 for an occupation approximately equals the actual regulatory costs for the occupation.
8 The department shall annually review each fee level to determine whether the
9 regulatory costs of each occupation are approximately equal to fee collections related
10 to that occupation. If the review indicates that an occupation's fee collections and
11 regulatory costs are not approximately equal, the department shall calculate fee
12 adjustments and adopt regulations under (a) of this section to implement the
13 adjustments. In January of each year, the department shall report on all fee levels and
14 revisions for the previous year under this subsection to the office of management and

1 budget. If a board regulates an occupation covered by this chapter, the department
 2 shall consider the board's recommendations concerning the occupation's fee levels and
 3 regulatory costs before revising fee schedules to comply with this subsection. In this
 4 subsection, "regulatory costs" means costs of the department that are attributable to
 5 regulation of an occupation plus

6 (1) all expenses of the board that regulates the occupation if the board
 7 regulates only one occupation;

8 (2) the expenses of a board that are attributable to the occupation if the
 9 board regulates more than one occupation.

10 * **Sec. 2.** AS 08.01.065 is amended by adding a new subsection to read:

11 (l) Notwithstanding (c) of this section, the department may adjust fee levels
 12 established under (a) of this section so that money appropriated under AS 43.70.080
 13 offsets fees for occupations regulated under this chapter. When adjusting fee levels
 14 under this subsection, the department may consider the relationship between the
 15 regulatory cost of an occupation and income levels in that occupation.

16 * **Sec. 3.** AS 43.70.030(a) is amended to read:

17 (a) The fee for each business license is **\$100** [\$50] a year, except that the fee is
 18 **\$50** [\$25] if the business is a sole proprietorship and the sole proprietor is

19 (1) 65 years of age or older when the sole proprietor applies for the
 20 license or will reach 65 years of age at any time during the year for which the license
 21 is issued; or

22 (2) a disabled veteran.

23 * **Sec. 4.** AS 43.70.075(b) is amended to read:

24 (b) The department, upon payment of a fee of **\$200** [\$100], shall issue a
 25 business license endorsement to a person who applies for a business license under this
 26 chapter, and may renew the endorsement issued under this subsection for a fee of **\$200**
 27 [\$100]. The endorsement expires at the same time as the license to which it attaches.
 28 Upon issuance of an endorsement, the department shall also issue to the person
 29 receiving the endorsement notice of the penalties that may be imposed under this
 30 section.

31 * **Sec. 5.** This Act takes effect October 1, 2024.