



## **Big Game Commercial Services Board Proposed Regulations - FAQ**

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August 2016

### **1. Why are new fees being proposed?**

By law, fees must be analyzed annually and set to approximately recover the cost of program operations. Alaska's professional licensing statutes (AS 08.01.065) require the Division of Corporations, Business and Professional Licensing (CBPL) to "annually review each fee level to determine whether the regulatory costs of each occupation are approximately equal to fee collections related to that occupation." Alaska's licensing fee statutes go on to say, "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 ... to implement the adjustments."

This program has been in deficit for many years, and the liability will only grow if fees are not adjusted. In November 2015, a hunt record and transporter activity report (HR/TAR) filing fee became effective. However, larger transporters raised concerns about the thousands of dollars this reporting fee would cost their businesses. This debate unfolded as both the Division of Legislative Audit and the Legislature voiced concerns that fees for this program are not being set high enough to comply with the statutory requirements mentioned above.

The division and the Big Game Commercial Board have held numerous meetings to work out a fair and equitable alternative to the HR/TAR report filing fee. A Transporter Subcommittee was formed to look at the issue, and the board has discussed it at meetings over the last several months. The division has considered the recommendations of the board and proposes to abolish the per-form fee for HRs/TARs and establish an annual report filing fee.

The Director of the Division of Corporations, Business and Professional Licensing will adopt fees after considering all public comments. Fees will become effective 30 days after signed by the Lieutenant Governor, and the new annual fee will become payable by December 31, 2016, and annually thereafter. The division will post this information on the website and begin sending out new activity report forms to current licensees at that time.

### **2. Why is the licensing program in deficit?**

The licensing program has been in deficit since before 2010. During 2011, the division revised its indirect cost allocation methodology to correct deficiencies noted in a special audit of DCBPL. Based on the

reallocation of indirect costs, the board's deficit increased by \$236,000, resulting in a beginning FY12 deficit of approximately \$610,000. (*Alaska State Legislature, Division of Legislative Audit, BGCSB, ACN 08-20093-15*)

Licensing fees were increased to cover program costs in 2013 and 2015, and further revenue collection is necessary to erase the historical deficit and place the program back on track. Once this is accomplished, it is the hope of the division and the board that fees will be reduced.

### 3. What are the proposed fees for licensure?

Fees **proposed** are below. Words or fees in **bold** and underlined are proposed; those without such treatment are current fees.

Fees for registered and master guide-outfitters:

- nonrefundable application fee for initial license, \$200;
- initial registered guide-outfitter qualification examination or retake examination fee, \$125;
- game management unit examination fee for taking initial examination, retaking examination, or adding game management units, \$400 per game management unit;
- registered or master guide-outfitter license fee, for all or part of the biennial license period, \$850;
- biennial registered or master guide-outfitter license renewal fee, \$850;
- examination preparation packet for registered guide-outfitter, \$100;
- retired status license fee, \$300;
- hunt record **annual** filing fee, **\$300** [\$50];
- guide use area registration fee, \$100.

Fees for Class-A assistant and assistant guides:

- nonrefundable application fee for initial license, \$200;
- Class-A assistant and assistant guide license fee for all or part of the initial biennial license period, \$410;
- Class-A assistant and assistant guide biennial license renewal fee, \$410;
- retired status license fee, \$175.

Fees for transporter licenses:

- nonrefundable application fee, \$200;
- transporter license fee, for all or part of the biennial license period, \$850;
- biennial transporter license renewal fee, \$850;
- transporter activity report **annual** filing fee, **\$300** [\$50].

### 4. How are the estimated costs determined? What do licensing fees pay for?

AS 08.01.065 requires all costs of regulating the profession to be borne by its licensees. The regulatory requirements enacted in other states have no bearing on Alaska's state statute; therefore, the cost of licensure in another state is not a reasonable barometer of what should be charged in Alaska.

The proposed fees are based on the known costs of a similarly sized and structured licensing program. The law requires licensees to adhere to many provisions, and it gives ample authority to the board to determine many of the requirements of licensure. For example:

- The agency must create, publish, and manage licensing application forms and fees, which entail adherence to the state's recordkeeping, security, payment, and refund policies and procedures.
- Requirement of licensees to meet professional fitness standards, which are evaluated by the license examiner and referred to the agency's investigative unit if necessary for further review.
- Enforcement of disciplinary sanctions available to the agency if a licensee violates the state licensing statutes or regulations or an individual practices the profession without a license. Because state law requires all costs of a licensing program to be borne by the licensees of that program (AS 08.01.065), any investigative, attorney, or appeal expenses of the state will be recovered in the licensing fee.
- Alaska statutes defer to the board to adopt necessary regulations for management of the licensing program. This requires board and investigator travel, legal support, and other resources the board and division needs to comply with the expectations of law. The Alaska Administrative Code prescribes the requirements for public notice and adoption of agency regulations, the cost of which is borne by the licensing program.

## **5. How do I find out more about program finances and the fee-setting process?**

The division director and CBPL staff walk through the program's latest fiscal reports regularly and are available to provide additional information or answer questions. The latest reports and historical data are available online at <https://www.commerce.alaska.gov/web/cbpl/AnnualPerformanceReports.aspx>.

Do you have a question that is not answered here? Please email [jun.maiquis@alaska.gov](mailto:jun.maiquis@alaska.gov) so it can be added.