



July 27, 2016

Dear licensees and interested parties:

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.”

The Division has conducted a thorough fee analysis and has determined that fee increases are necessary to comply with the statute listed above, to retain the program’s surplus position, and to continue to deliver the current level of service to the marital and family therapy licensing program. Program expenses have slowly been depleting the program’s surplus for several years, and the program is now in a position to increase fees to prevent the complete depletion of the surplus.

The Board of Marital and Family Therapy reviewed the fee analysis at its July 20, 2016, meeting and recommended a much lower fee increase to license holders than what the Division recommended. Neither recommendation comes close to meeting the program’s annual expenses; however, the Division’s recommendation utilizes the surplus to cover these costs at a much slower pace. If fees are not raised at this time, the surplus will soon be gone, requiring fees to be increased even higher by the next license renewal and raising legislative scrutiny of the efficacy of this board.

The proposed fee amounts are enclosed and can also be found on the Board’s web page at <https://www.commerce.alaska.gov/web/cbpl/ProfessionalLicensing/BoardofMaritalFamilyTherapy.aspx>. The following table reflects the projected revenue based on fee adjustments as proposed by the Board and by the Division:

Board of Marital and Family Therapy (MFT)											
Analysis last updated: 08/10/2016											
Effective dates: 09/01/2016											
Presented to board: 07/20/2016											
Fee Type	Current fee schedule			Proposed by board				Proposed by division			
	Current Fee	Projected Units	Projected Revenue	Fee Adjustment	Fee with Recommended Adjustment	Projected Revenue after Adjustment	% Change	Fee Adjustment	Fee with Recommended Adjustment	Projected Revenue after Adjustment	% Change
Initial Application	175	24	\$ 4,200	25	\$ 200	\$ 4,800	14%	25	\$ 200	\$ 4,800	14%
New MFT License	665	14	9,310	35	700	9,800	5%	135	800	11,200	20%
Renew MFT License	665	90	59,850	35	700	63,000	5%	135	800	72,000	20%
Nonrenewable Associate License	445	8	3,560	55	500	4,000	12%	55	500	4,000	12%
Temporary License	100	4	400	100	200	800	100%	100	200	800	100%
Centralized Fees	731	1	731		731	731			731	731	
			\$ 78,051			\$ 83,131				\$ 93,531	

The marital and family therapy fees remained steady until FY2011 when the therapist’s license fee was raised from \$775 to \$865 and the associate’s license fee was raised from \$415 to \$445. In FY2013, therapist’s license fees decreased from \$865 to \$665.

The following table is a revenue and expenditure comparison of three scenarios. The first column assumes no fees changes are made, the second column is based on the Board’s recommendation, and the third and final column is based on the Division’s recommended fee increases.

Marital and Family Therapy Program Licensees

July 27, 2016

Page Two

Revenues and Expenditures	CALCULATIONS BASED ON CURRENT FEES					CALCULATIONS BASED ON BOARD'S PROPOSAL				CALCULATIONS BASED ON DIVISION'S PROPOSAL			
	F12012/2017 Actuals	F12014/2016 Actuals	Projected F12018/2017	Projected F12018/2018	Projected F12020/2021	F12014/2016 Actuals	Projected F12018/2017	Projected F12018/2018	Projected F12020/2021	F12014/2016 Actuals	Projected F12018/2017	Projected F12018/2018	Projected F12020/2021
Revenue	63,165	73,063	78,051	78,051	78,051	73,063	83,131	83,131	83,131	73,063	93,531	93,531	93,531
Expenses	(85,187)	(107,866)				(107,866)				(107,866)			
Adjustments													
Expenses adjusted for 2% biennial increase			(110,023)	(112,224)	(114,468)		(110,023)	(112,224)	(114,468)		(110,023)	(112,224)	(114,468)
Fee adjustment for pro-rated renewal			(2,350)	(2,350)	(2,350)		(2,350)	(2,350)	(2,350)		(2,350)	(2,350)	(2,350)
Projected Net		(34,803)	(34,323)	(36,523)	(38,768)	(34,803)	(29,243)	(31,443)	(33,688)	(34,803)	(18,843)	(21,043)	(23,288)
Beginning Cumulative Surplus (Deficit)		112,195	77,392	43,069	6,546	112,195	77,392	48,149	16,706	112,195	77,392	58,549	37,506
Ending Cumulative Surplus (Deficit)		77,392	43,069	6,546	(32,221)	77,392	48,149	16,706	(16,981)	77,392	58,549	37,506	14,219

As you can see from this table, the first column shows a future biennial “Projected Net” average deficit of (\$36,538), the second column reflects an average deficit of (\$31,458), and the final column reflects an average deficit of (\$21,058). The Division’s recommendation still does not cover the program’s biennial expenses and continues to spend down the surplus, but at a slower pace. This provides an opportunity to reduce expenditures where possible to meet the revenue shortfall. Fees are reviewed annually and adjustments will be made as required to comply with AS 08.01.065.

This fee proposal is entering a public comment period. The division encourages all licensees and interested parties to comment on this proposal through the division’s Regulations Specialist, whose contact information is enclosed on the public notice. After the comment period closes and the division reviews all comments received, the division may adopt the regulation as drafted, may amend a proposed fee, or may withdraw the regulations in part or in its whole.

All comments received will be reviewed and taken into consideration prior to adopting the final regulations. The final decision will result in the fee to be implemented during this fall’s license renewal.

Follow the instructions enclosed to make written comments during the public comment period. Comments must be addressed to Jun Maiquis, Regulations Specialist, PO Box 110806, Juneau, AK 99811 or RegulationsAndPublicComment@alaska.gov.

Sincerely,



Janey Hovenden
Director

Encl.

**NOTICE OF PROPOSED CHANGES TO OCCUPATIONAL LICENSING FEES FOR
PROFESSIONS REGULATED BY THE BOARD OF MARITAL AND FAMILY
THERAPY IN THE REGULATIONS OF THE DEPARTMENT OF COMMERCE,
COMMUNITY, AND ECONOMIC DEVELOPMENT**

BRIEF DESCRIPTION: The Department of Commerce, Community, and Economic Development proposes to change occupational license fees charged to marital and family therapists and associates.

The Department of Commerce, Community, and Economic Development (Department) proposes to adopt regulation changes in Title 12, Chapter 02 of the Alaska Administrative Code, dealing with occupational licensing fees for professions regulated by the Board of Marital and Family Therapy, including the following:

12 AAC 02.242, Board of Marital and Family Therapy, is proposed to be changed to alter the application, license, renewal, and temporary license fees for marital and family therapists and associates.

Under AS 08.01.065, the Department must establish fee levels so that the total amount of fees collected for an occupation approximately equals the actual regulatory costs for the occupation. The Department has reviewed the income and expenses for the occupational licensing program for the Board of Marital and Family Therapy and proposes fee changes that reflect, to the extent possible, the actual costs of the activities related to the program.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to Jun Maiquis, Regulations Specialist, Division of Corporations, Business and Professional Licensing, P.O. Box 110806, Juneau, AK 99811-0806. Additionally, the Department will accept comments by facsimile at (907) 465-2974 and by electronic mail at RegulationsAndPublicComment@alaska.gov. Comments may also be submitted through the Alaska Online Public Notice System by accessing this notice on the system at <http://notice.alaska.gov/182333>, and using the comment link. **The comments must be received not later than 5:00 p.m. on August 29, 2016.** Comments received after this deadline will not be considered by the Department.

You may submit written questions relevant to the proposed action to Jun Maiquis, Regulations Specialist, Division of Corporations, Business and Professional Licensing, P.O. Box 110806, Juneau, AK 99811-0806 or by e-mail at jun.maiquis@alaska.gov. **The questions must be received at least 10 days before the end of the public comment period.** The Department will aggregate its response to substantially similar questions and make the questions and responses available on the Board's website at <https://www.commerce.alaska.gov/web/cbpl/ProfessionalLicensing/BoardofMaritalFamilyTherapy.aspx> or on the Alaska Online Public Notice System. The Department may, but is not required to, answer written questions received after the 10-day cut-off date and before the end of the comment period.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Jun Maiquis at (907) 465-2537 or jun.maiquis@alaska.gov not later than August 22, 2016 to ensure that any necessary accommodations can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System and by contacting Jun Maiquis at (907) 465-2537 or jun.maiquis@alaska.gov, or go to <https://www.commerce.alaska.gov/web/portals/5/pub/MFT-Fees-2016.pdf>.

After the public comment period ends, the Department will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. **You should comment during the time allowed if your interests could be affected.** Written comments and questions received are public records and are subject to public inspection.

Statutory Authority: AS 08.01.065; AS 08.63.100; AS 08.63.110; AS 08.63.130; AS 08.63.140

Statutes Being Implemented, Interpreted, or Made Specific: AS 08.01.065; AS 08.63.100; AS 08.63.110; AS 08.63.130; AS 08.63.140

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

DATE: 7/28/16

/s/
Jun Maiquis, Regulations Specialist
Division of Corporations, Business and
Professional Licensing

For each occupation regulated under the Division of Corporations, Business and Professional Licensing, the Division keeps a list of individuals or organizations who are interested in the regulations of that occupation. The Division automatically sends a Notice of Proposed Regulations to the parties on the appropriate list each time there is a proposed change in an occupation's regulations in Title 12 of the Alaska Administrative Code. If you would like your address added to or removed from such a list, send your request to the Division at the address above, giving your name, either your e-mail address or mailing address (as you prefer for receiving notices), and the occupational area in which you are interested.

**ADDITIONAL REGULATION NOTICE INFORMATION
(AS 44.62.190(d))**

1. **Adopting agency:** Department of Commerce, Community, and Economic Development – Division of Corporations, Business and Professional Licensing.
2. **General subject of regulation:** Occupational licensing fees.
3. **Citation of regulation:** 12 AAC 02.242.
4. **Department of Law file number:** To be assigned.
5. **Reason for the proposed action:** Compliance with state statute.
6. **Appropriation/Allocation:** Corporations, Business and Professional Licensing – #2360.
7. **Estimated annual cost to comply with the proposed action to:**
A private person: Increase will range from \$25 to \$135 depending on type of license.
Another state agency: None known.
A municipality: None known.
8. **Cost of implementation to the state agency and available funding (in thousands of dollars):**
No costs are expected in FY 2017 or in subsequent years.
9. **The name of the contact person for the regulation:**
Sara Chambers, Division Operations Manager
Division of Corporations, Business and Professional Licensing
Department of Commerce, Community, and Economic Development
Telephone: (907) 465-2144
E-mail: sara.chambers@alaska.gov
10. **The origin of the proposed action:** Division of Corporations, Business and Professional Licensing.
11. **Date:** 7/28/16

Prepared by: /s/
Jun Maiquis
Regulations Specialist
(907) 465-2537

Chapter 02. General Occupational Licensing Functions.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

12 AAC 02.242 is amended to read:

12 AAC 02.242. Board of Marital and Family Therapy. The following fees are established for marital and family therapists and associates:

- (1) nonrefundable application fee for initial license, **\$200** [\$175];
- (2) license fee for all or part of the initial biennial license period, **\$800** [\$665];
- (3) biennial license renewal fee, **\$800** [\$665];
- (4) four-year associate license fee for supervised practice, **\$500** [\$445];
- (5) temporary license fee, **\$200** [\$100]. (Eff. 6/4/93, Register 126; am 10/1/93,

Register 127; am 10/29/94, Register 132; am 11/15/96, Register 140; am 11/27/98, Register 148; am 12/16/2001, Register 160; am 12/9/2010, Register 196; am 12/2/2012, Register 204; am ___/___/___, Register ___)

Authority: AS 08.01.065 AS 08.63.110 AS 08.63.140
AS 08.63.100 AS 08.63.130