



MEMORANDUM

TO: Robert Klein, Chair, and
Members of the Board

DATE: November 13, 2017

FROM: Erika McConnell, Director

RE: Potential Regulations Project:
Application Fees Increase

Current application fees are \$100 for a new or transfer application and \$200 for a renewal application. These fees are intended to cover the administrative costs of processing license applications, as the application fee is the only fee that does not get forwarded to a local governing body. However, the costs of staff time to process these applications, particularly new and transfer applications, far exceeds what is collected in these fees.

It is not clear exactly when the fees were last amended, but it does not appear to be within the last 20 years. The time spent on new and transfer applications is significantly greater than the time spent on renewal applications. Staff recommends a fee of \$500 for new or transfer applications and a fee of \$300 for renewal applications, effective July 1, 2018, which is the start of the FY19 fiscal year.

These fee changes would be an amendment to 3 AAC 304.105 as shown in the attached proposal.

Should the board wish to pursue this proposal, you need to take at least two actions:

1. Vote to open a regulations project.
2. Amend the proposed language. (optional)
3. Vote to put out for public comment.

Register ____,____2018 COMMERCE, COMMUNITY, AND EC. DEV.

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

3 AAC 304.105(d) is amended to read:

(d) A non-refundable application fee of **\$500**[\$100] must accompany an application for a new license, relocation, or transfer of an existing license. A non-refundable application fee of **\$300**[\$200] must accompany an application for license renewal. (Eff. 11/29/81, Register 80; am 10/4/87, Register 104; am 7/30/89, Register 111; am 5/1/94, Register 130; am 5/11/96, Register 138; am 6/13/2003, Register 166; am __/__/____, Register____)

Authority: AS 04.06.090

AS 04.06.100