From:	Aaron Stiassny
To:	CED MCB AMCO (CED sponsored)
Cc:	Lloyd Stiassny
Subject:	Letter to MCB Board- For Reconsideration of Excessive Late Fees & Support of License Fee Reductions
Date:	Tuesday, October 1, 2024 3:27:47 PM
Attachments:	20241001_141008.PDF

You don't often get email from aaron@edenalaska.com. Learn why this is important

CAUTION: This email originated from outside the State of Alaska mail system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear MCB Board Members,

Please view the attached letter for your consideration. Submitted on behalf of Lloyd Stiassny.

Sincerely,
Aaron

--

Aaron Stiassny
General Manager
Eden Management Group, LLC
aaron@edenalaska.com
office: 907.561.4372
cell: 907.830.8139

Eden Management Group LLC
dba Uncle Herb's

PO BOX 90171
Anchorage, Alaska 99509-0171
907-243-4372

October 1, 2024

To: AMCO Board of Directors, Executive Director

Concerning: Reconsideration of Excessive Late Fee(s) for Renewals & Request for License Fee Reduction(s)

Dear AMCO Board Members,

I would like to follow-up on the matter of licensing late fees that you addressed at the September Board meeting in Fairbanks. I would request your review and reconsideration of this matter at the next MCB Board Meeting.

The MCB Board was presented with requests to mitigate the imposition of excessive late fees at the meeting for a number of reasonable causes. Your primary reason for not giving due consideration to these requests was the fact that a number of license holders had already paid late fee(s), and it would be difficult to refund some of the fees and not all. I happen to agree with this decision and stated so at the meeting. What I do not agree with is the excessively high and unusual late fees for all license holders, as well as the burden these fees place on multiple license holders who are compliant business operators and make a good faith effort to pay all industry cost(s) and fees in a timely manner. Charging a late fee for an operator who paid a one (1) second late is simply wrong. Charging a poor widow who's husband passed away a late fee is simply insensitive. The Board used Regulation as justification to keep these charges and take no action, yet Boards are empowered by the State to properly interpret regulations and apply them on a case by case basis. The reduction of late fees for unusual circumstances would have met the intent of the regulation. If the business that paid a one (1) second late had been given a $1 late fee, this would have satisfied statute, "a late fee was paid", and more appropriately applied a late fee for this circumstance.

I have honestly never heard of late fees that are this excessive for any business or industry. Coupled with the very high licensing fees, the late penalties seem punitive. I believe these fees need to be reviewed and amended by the Board. Something reasonable is called for, a late fee of 10%. The real issue for a license holder is that without the payment of renewal fees they will not be issued an operating license, which is a requirement in a regulated industry in order to operate. License fees as a result will be paid accordingly, by all that want to continue operations.

October 1, 2024

It was interesting that at the meeting there was discussion of NOV fees. It was apparent that these need to be reviewed by the Board as well. If I heard correctly, there were operators who were issued an NOV that were clearly operating non-compliantly; were making excuses and were fined a modest $200, if I recall correctly. This is a striking example of how misguided fines and fees are and these disparities must be addressed if the industry is to remain healthy and compliant. NOV fees should have teeth in them. They should be at a minimum, as much as a "late" fee if not more. What incentive is there to operate compliantly, if there is no more than a hand-slap for the violation. The Board is penalizing the businesses that are trying their best to operate compliantly with large late fees, and allowing other operators who break rules and who receive no real penalties at all. This is clearly backwards and needs to be fixed.

There was also a discussion of an 800K surplus in the AMCO budget generated by the licensing fees. There was good discussion by the Board and comments made by the outgoing Director Wilson to reduce the licensing fees for the industry. I would encourage the Board to consider refunding all late fees in 2024, or at minimum reduce the late fees for renewals to a reasonable amount that meets the intent of the Statute. A late fee reduction for future years should be coupled with a licensing fee reduction for all license types as well.

I would again ask that this matter be revisited at the next MCB Board meeting. This would allow the Board to apply a sensible approach to fee reductions that are beneficial to industry operators.

Your due consideration is appreciated.

Sincerely,

Lloyd H Stiassny

Eden Management Group LLC

Dba Uncle Herb's