



THE STATE
of **ALASKA**
GOVERNOR MICHAEL J. DUNLEAVY

**Department of Commerce, Community,
and Economic Development**

DIVISION OF CORPORATIONS, BUSINESS AND
PROFESSIONAL LICENSING
Juneau Office

P.O. Box 110806
Juneau, AK 99811-0806
Main: 907.465.2550
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April 22, 2019

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. Program fees have not changed since 2014, and expenses have stabilized. To be more closely aligned with AS 08.01.065, the division proposes a decrease in licensing fee amounts for pharmacist, pharmacy technician, and certain pharmacy licenses to reduce the program's surplus.

In addition, the Alaska State Legislature authorized three new license types beginning in 2019: non-resident wholesale drug distributor, outsourcing facility, and third-party logistics provider. These regulations propose fees for these licenses.

The proposed fee amounts are enclosed and can also be found on the Board of Pharmacy web page at:

<http://professionallicense.alaska.gov/boardofpharmacy>

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. 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 whole.

All comments received will be reviewed and taken into consideration prior to adopting the final regulations. The final decision will result in fee implementation prior to the upcoming 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,

A handwritten signature in blue ink that reads "Sara Chambers".

Sara Chambers
Division Director

**NOTICE OF PROPOSED CHANGES TO OCCUPATIONAL LICENSING FEES FOR
PROFESSIONS REGULATED BY THE BOARD OF PHARMACY 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 pharmacists, pharmacy interns, pharmacy technicians, remote and other pharmacies, wholesale drug distributors, and drug dispensaries; and to add three new license types – non-resident wholesale drug distributor, outsourcing facility, and third-party logistics provider, to implement changes made in Chapter 66 SLA 2018 (SB 37).

The Department of Commerce, Community, and Economic Development (Department) proposes to adopt regulation changes in Title 12, Chapter 02 of the Alaska Administrative Code including the following:

12 AAC 02.310. Board of Pharmacy, is proposed to be changed to amend the application, permit, license, registration, and renewal fees for pharmacists, pharmacy technicians, remote and other pharmacies, wholesale drug distributors, and drug rooms; and to add three new licensing categories and fees: non-resident wholesale drug distributor, outsourcing facility, and third party logistics provider.

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 Pharmacy 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/193978>, and using the comment link. **The comments must be received not later than 4:30 p.m. on May 24, 2019.** 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 RegulationsAndPublicComment@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 Alaska Online Public Notice System and on the Board's website at <https://www.commerce.alaska.gov/web/cbpl/ProfessionalLicensing/BoardofPharmacy.aspx>. 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 RegulationsAndPublicComment@alaska.gov not later than May 17, 2019 to ensure that any necessary accommodation 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 RegulationsAndPublicComment@alaska.gov, or go to <https://www.commerce.alaska.gov/web/portals/5/pub/PHA-Fees-0419.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 08.80.159; AS 08.80.160

Statutes Being Implemented, Interpreted, or Made Specific: AS 08.01.065; AS 08.80.159; AS 08.80.160

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

DATE: 4/24/19

/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 02.310.
- 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:** Decrease will range from \$10 to \$40 depending on type of license; \$40 increase for initial application fee. For three new licensing categories: third-party logistics provider, outsourcing facility, and non-resident wholesale drug distributor – \$100 initial application, \$600 initial biennial license, and \$600 biennial license renewal fees.
 - 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 2019 or in subsequent years.
- 9. The name of the contact person for the regulation:**
Laura Carrillo, Executive Administrator
Alaska Board of Pharmacy
Division of Corporations, Business and Professional Licensing
Department of Commerce, Community, and Economic Development
Telephone: (907) 465-1073

E-mail: laura.carrillo@alaska.gov

10. The origin of the proposed action: Division of Corporations, Business and Professional Licensing.

11. Date: 4/24/19

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 02.310 is amended to read:

12 AAC 02.310. Board of Pharmacy. (a) The following fees are established for pharmacists, pharmacy interns, pharmacy technicians, pharmacies, wholesale drug distributors, and drug dispensaries:

- (1) **nonrefundable** application fee for initial license, **\$100** [\$60];
- (2) repealed 10/28/2000;
- (3) temporary pharmacist license fee, **\$50** [\$60];
- (4) emergency permit to practice pharmacy fee, **\$100** [\$110];
- (5) pharmacy intern license fee, \$30.

(b) The following license and registration fees for all or part of the initial biennial licensing or registration period and subsequent biennial license and registration renewal fees are established for pharmacists, pharmacy technicians, remote and other pharmacies, and wholesale drug distributors:

- (1) pharmacist, **\$200** [\$240];
- (2) wholesale drug distributor, \$500;
- (3) pharmacy, **\$200** [\$240];
- (4) drug room, **\$200** [\$240];
- (5) registered pharmacy located outside of the state, \$600;
- (6) pharmacy technician, **\$50** [\$60];
- (7) remote pharmacy, **\$200** [\$240];

(8) non-resident wholesale drug distributor, \$600;

(9) outsourcing facility, \$600;

(10) third-party logistics provider, \$600. (Eff. 11/20/86, Register 100; am 10/1/88, Register 107; am 5/28/93, Register 126; am 10/19/97, Register 144; am 10/28/2000, Register 156; am 6/13/2002, Register 162; am 6/23/2004, Register 170; am 2/15/2006, Register 177; am 5/18/2006, Register 178; am 6/11/2010, Register 194; am 5/18/2014, Register 210; am ____/____/_____, Register _____)

Authority: AS 08.01.065 **AS 08.80.159** AS 08.80.160