

Department of Commerce, Community, and Economic Development

DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING

Notice of proposed changes to occupational licensing fee for professions regulated by the Board of Pharmacy in the Regulations of the Department of Commerce, Community, and Economic Development

Proposed Regulations - FAQ

April 2019

Fee Regulations for Non-Resident Wholesale Drug Distributors, Outsourcing Facilities, and Third Party Logistics Providers

1. Why are the new fees being proposed?

Senate Bill 37 passed the legislature in the last legislative session giving the Board of Pharmacy (Board) authority to license Non-Resident Wholesale Drug Distributors, Outsourcing Facilities, and Third Party Logistics Providers. The board has proposed regulations regarding the qualifications for issuance of licenses for these types of providers. The Department of Commerce, Community, and Economic Development, Division of Corporations, Business and Professional Licensing is charged to set fees for occupations licensed by the division.

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."

2. What fees are being proposed?

Proposed fees: non-fundable application fee of \$100; biennial registration and renewal fee of \$600. These proposed fees are compliant with AS 08.01.065.

3. When will the fees go into effect?

If the fees are adopted, they must be reviewed by the Department of Law, then forwarded to the lieutenant governor for signing and filing. The division's goal is to have the fees in effect July 1, 2019, the date the division may start accepting applications for the registration.

Fee Regulations for Existing Pharmacy and Pharmacist Licenses

1. Why are the new fees being proposed?

The Department of Commerce, Community, and Economic Development, Division of Corporations, Business and Professional Licensing is charged to set fees for occupations licensed by the division.

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."

The division has found that the Board of Pharmacy has adequate funds to cover the activities of existing license types, so license fees may be decreased. The initial application fee is being increased due to the higher level of effort of initial applications.

2. What fees are being proposed?

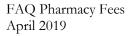
Fees in **bold and underlined** are proposed, [bracketed] amounts being changed.

- (a) The following fees are established for pharmacists, pharmacy interns, pharmacy technicians, pharmacies, wholesale drug distributors, and drug dispensaries:
 - (1) <u>nonrefundable</u> 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 providers, \$600.

These proposed fees are compliant with AS 08.01.065.

3. When will the fees go into effect?

If the fees are adopted, they must be reviewed by the Department of Law, then forwarded to the lieutenant governor for signing and filing. The division's goal is to have the fees in effect July 1, 2019.



For further information on this subject, refer to the proposed regulations which are available on the board's website.

Do you have a question that is not answered here? Please email <u>RegulationsAndPublicComment@alaska.gov</u> so it can be added.