



Montana Department of  
**LABOR & INDUSTRY**

Steve Bullock, Governor  
Pam Bucy, Commissioner

**Business Standards Division**  
Todd Younkin, Administrator

July 22, 2015

Susan K. Brueggeman  
39341 Lakeview Dr  
Polson, Montana 59860

RE: Occupational Licensing Fees

Dear Ms. Brueggeman:

The Economic Affairs Interim Committee forwarded me your letter outlining your concerns and comments relative to the SB 390 study on occupational licensing fees. Thank you for taking the time to participate in this study. I share your belief that fees charged to professional licensees must be established in the most equitable manner possible and in accordance with statute.

Considerable time and effort has been spent working with board members, legislative staff, and Department fiscal staff to develop a method that allows the Department to charge fees to licensees based on the cost of services the department has provided. I believe the current structure for direct and indirect charges represents the best practice to allow the Department to meet the statutory requirement that fees "provide the amount of money usually needed for operation of the board" and that charges are assigned fairly to all Boards and their respective licensees. Additionally, the current system is based as closely as possible on a 'pay as you go' structure. As staff adjust the time and effort necessary to fulfill board requests, handle complaints, and review and process applications, indirect charges are adjusted accordingly.

It is worth noting your claim that fees are disproportionately high due to the small number of licensed sanitarians and your request to mitigate fee impacts to boards with smaller numbers of licensees are similar to issues raised under previous administrations. However, at that time it was the larger boards that were complaining that they were subsidizing smaller boards and it was at legislative urging that the "recharge" system (a rate-based indirect cost system) of allocating indirect charges was ended.

My staff and I will be working with the Committee to explain in further detail how the fee structure works and we look forward to working with you and the Committee to review this methodology to see if efficiencies can be found. If you have further questions or comments, please contact me at (406) 841-2300 or [tyounkin@mt.gov](mailto:tyounkin@mt.gov).

Thank you again for providing your comments and concerns.

Todd Younkin  
Administrator

Cc: Commissioner Pam Bucy  
Economic Affairs Interim Committee  
Pat Murdo