

Administrative Rules Committee
September 12, 2013
License Fee Increases
North Dakota Department of Health

Good morning, Mr. Chairman and members of the Administrative Rules Committee. My name is Kenan Bullinger, and I am the director of the Division of Food and Lodging for the North Dakota Department of Health. Following is some information on proposed regulation changes the Department of Health has recently proposed involving annual license fees for various food, lodging, body art and tanning facilities.

1. These rule changes did not result from any statutory changes made by the Legislative Assembly.
2. These rules are not related to any federal statute or regulation.
3. A Notice of Intent to Amend Administrative Rules was sent to Legislative Council on June 24, 2013. Public notices on the administrative rules hearing were printed in the state's major newspapers in late June and early July of 2013. A public hearing was held on July 31, 2013, and a thirteen-day written comment period after the hearing date was established.
4. No one attended the hearing and no written comments were received on these proposed changes.
5. The approximate cost of giving the public notice and holding the hearing on the proposed rules was approximately \$1563.
6. Various annual license fees were increased for all food and lodging facilities to generate the special funds necessary to replace an existing and outdated electronic licensing and inspection data management system. This new information management system will allow the Department the ability to send electronic license renewals and also conduct and submit inspection reports electronically.
7. Attached for your information is the regulatory analysis for these proposed changes.
8. Also attached for your information is the economic impact statement on small entities.
9. These rules will increase license fees and generate approximately \$150,000 in additional special fund revenues per biennium.
10. A constitutional takings assessment was not prepared as these rules will not limit the use of private real property.
11. These rules were not adopted as emergency rules under NDCC 28-32-03.

I am happy to answer any questions you may have.