

Introduced by: City Manager Herron
Date: October 27, 1998
Public Hearing: November 24, 1998
Action: Enacted
Vote: Unanimous

**CITY OF BETHEL, ALASKA
ORDINANCE #98-29**

**AN ORDINANCE REVISING THE CITY OF BETHEL BUSINESS LICENSING CODE
ESTABLISHING BIENNIAL LICENSING, REVISING FEES, CHARGES AND PENALTIES
AND MAKING OTHER CHANGES**

BE IT ORDAINED by the Bethel City Council that:

Section 1. Classification. This ordinance is permanent in nature and shall become a part of the Bethel Municipal Code.

Section 2. Repeal and Readoption of Chapter Chapter 5.04, the business code of the City of Bethel, is repealed in its entirety and is reenacted to read:

**CHAPTER 5.04
BUSINESS LICENSE CODE**

- 5.04.010 Business defined.
- 5.04.020 Other regulatory provisions.
- 5.04.030 Required -- Application.
- 5.04.040 Fee.
- 5.04.045 License Fees for Businesses Selling Games of Skill and Chance.
- 5.04.048 Insurance Required.
- 5.04.050 Term and Classification.
- 5.04.060 Renewal.
- 5.04.070 Regulations.
- 5.04.080 Failure to obtain.
- 5.04.090 Offenses.
- 5.04.100 False statements.
- 5.04.110 Violation -- Penalty.

5.04.010 Business defined.

In this chapter, unless the context otherwise requires, "business" includes all activities or acts, personal, professional or corporate, engaged in or following or engaging in a trade, profession or business (including receipts from advertising services, rental of personal or real property, construction, processing manufacturing, fisheries businesses, liquor license, insurance businesses, mining and coin operated amusement and gaming machines, but excluding fishermen), calling or vocation, with the object of financial or pecuniary gain, profit or benefit, either direct or indirect, and not exempting sub-activities producing marketable commodities or services used or consumed in the main business. The giving or supplying of services as an employee to an employer does not constitute "business" under this chapter. The selling of games of skill and chance, even if done by a nonprofit organization, does constitute "business" this chapter.

5.04.020 Other regulatory provisions.

A person engaging in a business subject to licensing provisions of a regulatory nature must, in addition to filing the regular application required by this chapter, comply with any other regulatory provisions before being entitled to a license.

5.04.030 Required --Application.

For the privilege of engaging in business in the city, a person shall first apply upon forms prescribed by the Director of Finance and obtain a license to do so, and pay the license fee provided in Section 5.04.040.

5.04.040 Fee.

The license fee for each business including the business of selling games of skill and chance is fifty dollars for the biennial license. The fee for a license issued to a new business that commences after the beginning of the biennial period applicable to the applicant, shall be 25% of the biennial fee times the number of full and partial semesters remaining in the biennial period. No proration may be given for seasonal or other part year operations. A replacement license may be issued for a fee of \$25.

5.04.045 Additional Fees for Businesses Selling Games of Skill and Chance.

A. Each business selling games of skill and chance shall pay an additional fee equal to 5.0 per cent of the gross revenues from sales of games of skill and chance. Gross revenues from a sale is the total cost to the player for the right to each single chance or play, whether paid to the operator or qualified organization in cash or by relinquishment of winnings or in exchange for other things of value.

B. Operators of games of skill and chance licensed by the State of Alaska pursuant to AS 5.15.010, et seq., shall pay the fee on a monthly basis on or before the last day of the following month. The fee shall be accompanied by a copy of the report submitted to the authorized permittee pursuant to AS 5.15.087 or any successor statute or regulation.

C. Qualified organizations authorized to conduct games of skill and chance by the State of Alaska pursuant to AS 5.15.010, et seq. who do not make use of a licensed operator shall pay the fee on a quarterly basis by the 45th day following each calendar quarter in which their gross receipts equaled \$50,000 or more. If gross receipts do not exceed \$50,000 for any quarter the fee shall be paid on an annual basis on or before March 15 of each year. Payment of the fee shall be accompanied by a copy of the quarterly or annual report filed with the State of Alaska pursuant to AS 5.15.080 or any successor statute or regulation.

D. The Finance Director shall have the same right to examine and audit the records of operators and qualified organization as are given to the Finance Director under BMC 4.16 to examine and audit the records of persons required to collect the city sales tax. The penalties, interest and charges applicable under BMC 4.16 to late or incomplete filing of reports or returns or payment of sales tax and the failure to keep or produce records, as well as the right to protest or appeal a decision of the Finance Director, shall apply to the late or incomplete filing of reports or returns, the late or incomplete payment of the additional fee under this chapter and the failure to keep or produce adequate records.

5.04.048 Insurance Required.

A. For purposes of this section, "transient lodging business" includes, but is not limited to, hotel compensation.

B. No person may operate a transient lodging business unless there is in effect during the period of such operation a commercial general liability insurance policy in an amount of not less than \$1,000,000 per person and a combined aggregate amount of not less than \$2,000,000 per occurrence. The deductible or self-retained coverage may not exceed \$10,000.

Such insurance must include coverage for the business for liability arising out of the negligence of the business, its owners, employees and agents.

C. Each application for a business license by a transient lodging business must be accompanied by a copy of the insurance policy required by this section. No business license may be granted to a transient lodging business that does not provide a copy of a current policy required by this section. Provided, the clerk may, in the exercise of discretion, accept a certificate of insurance provided to the Finance Director by an insurance agent or broker licensed to do business in the State of Alaska in lieu of the policy itself.

D. The transient lodging business shall provide the Finance Director with a copy of each confirmation provided by the insurer of renewal of the required policy. Such confirmation must be provided to the City before the date of expiration of the policy that is provided to meet the requirements of this section.

E. Within seven (7) days of the receipt of the written demand from the City, a transient lodging business shall provide to the City for inspection, copying and review the policy of insurance meeting the requirements of this section. The failure of a transient lodging business to provide the policy as required by this subsection invalidates the transient lodging business license issued to such business under this chapter. A license invalidated under this subsection may be renewed by filing a complete application and payment of the late license fee under Section 060 of this Chapter.

F. A transient lodging business may not operate if it has failed or refused to produce the policy of insurance as required under subsection (e) or has failed to provide confirmation of renewal prior to the expiration date, including any grace period allowed for the policy

5.04.050 Term and Classification.

Licenses issued to one half of the businesses shall expire on December 31 of the even numbered years and the licenses issued to the other half of the businesses shall expire on December 31 of the odd numbered years. The Finance Director shall establish the method of allocating business to the odd and even years and may establish and implement such classifications of businesses as may be useful in administering the sales tax or other city programs.

5.04.060 Renewal.

Application for renewal of a license and payment of the biennial fee shall be made before December 31st of the license expiration year. Any renewal application made after December 31st of the license expiration year shall be subject to a fee for the business license of twice the fee set out in BMC 5.04.040A. By December 10 of each year, the Finance Department shall mail a written notice of renewal to each licensed business whose license will expire that year; provided, neither the failure of the city to mail the notice or the failure of a business to receive the notice shall have the effect of extending the December 31 renewal deadline nor of waiving any penalty or additional or increased fee for the late filing of a renewal application.

5.04.070 Regulations.

The Finance Director may promulgate regulations necessary to determine and collect fees imposed and to otherwise enforce the provisions of this chapter. The regulations become effective, with such changes as may be made by the city council, on the day following the city council meeting at which the proposed regulations are submitted to the council for review unless the regulations are rejected by the council.

5.04.080 Failure to obtain.

A person who engages in business before filing a business license application, or who fails to file any report or to pay the fee as prescribed by this chapter, or who fails to file a license renewal application before February 1, shall, in addition to payment of the required fee, be subject to a penalty of \$100.00 that shall be paid before the license may be issued.

5.04.090 Offenses.

It is unlawful for a person to:

- A. Willfully evade the licensing provisions of the chapter;
- B. Fail to make an application for license or fail to keep or produce any records required hereunder or by regulation;
- C. Make a false or fraudulent return or false statement with intent to defraud the city or evade payment of the fee; or
- D. Aid or abet another in an attempt to evade payment of the fee.
- E. Fail to pay the required fee.
- F. Engage in or operate a business without a license issued pursuant to this chapter.
- G. Engage in or operate a business for which insurance is required under this chapter without a policy of such insurance in effect.
- H. Fail or refuse to produce a policy of insurance required by this chapter within seven (7) days of the delivery by the clerk of a written request to produce such a policy.

5.04. 100 False statements.

It is unlawful for an executive officer, manager or agent of a corporation or agent of a person to provide false information or documents or to make or permit to be made for his principal or employer a false statement in connection with an application for a business license or in answer to an inquiry from the city clerk with an intent or purpose to evade the payment of the fee or to obtain, continue, or renew a license without fully complying with the requirements of this chapter.


5.04. 110 Violation - Penalty.

A person who is found guilty of a violation of any provision of this chapter, or any regulation adopted pursuant thereto, is subject to a fine of up to \$200; provided, the person is subject to a fine of up to \$500 for a violation that occurs within three years of a conviction of a prior violation of any provision of this chapter.

Section 3. Effective date and transition. This ordinance shall become effective immediately upon adoption; provided all current validly issued licenses shall remain in effect until December 31, 1998. All license renewal applications shall be submitted by no later than December 31, 1998. One half of the license renewals shall be for one year and the remainder shall be for two years, as determined by the Finance Director. The fee for licenses that are renewed for one year shall be one half of the biennial license fee. Licenses issued for one year shall expire on December 31, 1999 and shall be issued thereafter for two-year terms. The Finance Director may implement such procedures and rules as may be necessary to provide for the transition into the biennial licensing. The Finance Director shall send written notice to all license holders informing them of the new registration period, license fees and penalties. The Finance Director shall also insure the public notice is posted and published informing businesses of the changed date by which business license renewal applications must be filed.

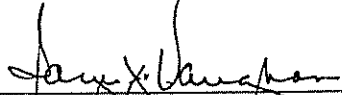
ENACTED this 17th day of NOVEMBER, 1998, by a vote of 6 Yea, 0 Nay, and 0 Abstaining.

CITY OF BETHEL



Agnes L. Phillips, Mayor

ATTEST:



Gaye J. Vaughan, City Clerk