

2022 SESSION OPERATING BUDGET AMENDMENT PROPOSAL

OFFERED IN: The House Finance Subcommittee

TO: HB 281 / HB 282

OFFERED BY: Representative Hopkins

DEPARTMENT: Department of Commerce, Community and Economic Development

APPROPRIATION: Corporations, Business and Professional Licensing

ALLOCATION: Corporations, Business and Professional Licensing

ADD: Intent language:

It is the intent of the legislature that the Department of Commerce, Community and Economic Development, Division of Corporations, Business and Professional Licensing to develop a plan to stabilize and set fee structures; develop a new system for leveling the cost of appeals and investigations; and target fee relief for industries and occupations that are high need and have a high cost of entry. The Department shall provide the plan to the Finance Co-Chairs and the Legislative Finance Division no later than December 20, 2022.

EXPLANATION: This language is to direct DCCED to work with the CBPL division to create a plan to streamline and simplify the fee structures for agency licenses and licensing, to lessen the barriers to entry for professionals, both current and prospective.

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OFFERED BY: Representative Hopkins

DEPARTMENT: Department of Commerce, Community and Economic
Development

APPROPRIATION: Executive Administration and Development

ALLOCATION: Commissioner's Office

ADD: \$500,000 / Fund Source: UGF / Fund Code: 1004 / Grants Line (7000)

EXPLANATION: This increment is for grants to assist Alaskan small businesses with the development and commercialization of their innovative technologies. These funds would be made available on a competitive basis to Alaska-based small businesses that are operating under a currently-active Small Business Innovation Research or Small Business Technology Transfer grant from a Federal Agency. It is the intent that the grant program be administered within the Commissioner's Office with their existing resources as it has been proposed that economic development activities would be centralized in that allocation.

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ALLOCATION: Corporations, Business and Professional Licensing

DELETE: -\$500,000 / Fund Source: UGF/ Fund Code: 1004 / Personal Services Line (1000)

EXPLANATION: This amendment decreases \$500,000 from the Governor's proposed one-time UGF increment of \$1.5 million in the Corporations, Business and Professional Licensing (CBPL) allocation, which was amended to \$1.1 million on February 14, 2022. This would leave CBPL with a one-time increment of \$600,000 for revenue replacement for halting professional licensing fees for FY23.

2022 SESSION OPERATING BUDGET AMENDMENT PROPOSAL

OFFERED IN: The House Finance Subcommittee

TO: HB 281 / HB 282

OFFERED BY: Snyder

DEPARTMENT: Commerce, Community, and Economic Development

APPROPRIATION: Executive Administration

ALLOCATION: Commissioner's office

ADD: \$300,000 (1004 UGF)

POSITIONS: N/A

INTENT: It is the intent of the legislature that the department direct this increment to recruitment and retention efforts through sign-on and relocation bonuses for new hires or performance bonuses for current hires throughout the Department of Commerce, Community, and Economic Development.

EXPLANATION: Many Departments have been struggling with long-term vacancies and being short-staffed which has negatively impacted the speed and quality of the services they deliver. The Department of Commerce, Community, and Economic Development are no exception to this. We heard of one Division having a 30% vacancy rate and a 55% turnover in staff. This increment looks to redirect some of the funds we have saved through efficiencies to filling positions and retaining current staff in order to better ensure delivery of services in a timely fashion.