

**ALASKA STATE LEGISLATURE
HOUSE RULES STANDING COMMITTEE**

January 20, 2004
9:35 a.m.

MEMBERS PRESENT

Representative Norman Rokeberg, Chair
Representative Pete Kott
Representative John Coghill
Representative Lesil McGuire
Representative Beth Kerttula

MEMBERS ABSENT

Representative Carl Morgan
Representative Ethan Berkowitz

COMMITTEE CALENDAR

HOUSE BILL NO. 288

"An Act changing the name of the Department of Community and Economic Development."

- MOVED 2d CSHB 288(RLS) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 288

SHORT TITLE: CHANGING NAME OF DEPT OF COMM & ECON DEV.

REPRESENTATIVE(S): KOHRING

04/28/03	(H)	READ THE FIRST TIME - REFERRALS
04/28/03	(H)	STA, L&C
05/06/03	(H)	STA AT 8:00 AM CAPITOL 102
05/06/03	(H)	Moved CSHB 288(STA) Out of Committee
05/06/03	(H)	MINUTE(STA)
05/08/03	(H)	STA RPT CS(STA) NT 3DP 1DNP 3NR
05/08/03	(H)	DP: DAHLSTROM, LYNN, HOLM;
05/08/03	(H)	DNP: BERKOWITZ; NR: SEATON, GRUENBERG,
05/08/03	(H)	WEYHRAUCH
05/08/03	(H)	CRA REFERRAL ADDED AFTER L&C
05/09/03	(H)	L&C AT 3:15 PM CAPITOL 17
05/09/03	(H)	Moved CSHB 288(STA) Out of Committee
05/09/03	(H)	MINUTE(L&C)
05/10/03	(H)	L&C RPT CS(STA) NT 3DP 1NR 2AM
05/10/03	(H)	DP: GATTO, DAHLSTROM, LYNN;

05/10/03 (H) NR: ROKEBERG; AM: CRAWFORD, GUTTENBERG
05/13/03 (H) CRA RPT CS(STA) NT 2DP 3NR
05/13/03 (H) DP: WOLF, KOTT; NR: SAMUELS, CISSNA,
05/13/03 (H) MORGAN
05/13/03 (H) CRA AT 8:00 AM CAPITOL 124
05/13/03 (H) Moved CSHB 288(STA) Out of Committee
05/13/03 (H) MINUTE(CRA)
05/19/03 (S) L&C AT 8:00 AM BELTZ 211
05/19/03 (S) <Above Item Removed from Agenda>
05/19/03 (S) MINUTE(L&C)

WITNESS REGISTER

REPRESENTATIVE VIC KOHRING
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Spoke as the sponsor of HB 288.

SALLY SADDLER, Legislative Liaison
Division of Community Advocacy
Department of Community & Economic Development
Juneau, Alaska

POSITION STATEMENT: Related the department's support of CSHB 288, Version H.

ACTION NARRATIVE

TAPE 04-1, SIDE A

Number 0001

CHAIR NORMAN ROKEBERG called the House Rules Standing Committee meeting to order at 9:35 a.m. Representatives Rokeberg, Coghill, McGuire, and Kerttula were present at the call to order. Representative Kott arrived as the meeting was in progress.

HB 288-CHANGING NAME OF DEPT OF COMM & ECON DEV.

CHAIR ROKEBERG announced that the first order of business would be HOUSE BILL NO. 288, "An Act changing the name of the Department of Community and Economic Development."

Number 0110

REPRESENTATIVE MCGUIRE moved to adopt 2d CSHB 288, Version 23-LS1030\H, Bullock, 1/15/04, as the working document. There being no objection, Version H was before the committee.

Number 0129

REPRESENTATIVE VIC KOHRING, Alaska State Legislature, spoke as the sponsor of HB 288. Representative Kohring explained that the original intent of HB 288 was to achieve the desire of the administration by including the word "Commerce" in the Department of Community & Economic Development's name because it would more accurately reflect the intent and mission of the department. However, when the proposal to delete the word "Community" from the department's name was made some members expressed the need to maintain "Community" in the department's name in order to reflect the rural programs that are part of the department. Therefore, Version H would keep the word "Community" in the department's name. Under Version H the department's name would be the Department of Commerce and Community and Economic Development.

Number 0207

REPRESENTATIVE McGUIRE inquired as to the difference between commerce and economic development.

CHAIR ROKEBERG explained that economic development refers to new development whereas commerce refers to existing or established development.

REPRESENTATIVE McGUIRE inquired as to whether this change is necessary. She turned to the analysis section of the zero fiscal note, which specifies that the "department will implement the change to the new name as supplies need to be replenished". Although the aforementioned may be a good way to deal with this change in that it results in a zero fiscal note, she related her belief that it could create confusion because there may be letterhead circulating under both names. She highlighted that this department interacts with foreign nations and other states.

REPRESENTATIVE KOHRING agreed that changing the name of a department would likely bring confusion until time passes and people become accustomed to the change. Furthermore, any name change would necessitate some expense due to the change in letterhead and business cards. He reminded the committee that the aforementioned was experienced back in 1999 when this department's name was changed when two agencies were combined. The question is whether a greater benefit is achieved in comparison to the confusion and expense involved.

Number 0498

REPRESENTATIVE MCGUIRE maintained her belief that economic development incorporates enough of the commerce concept that [the department's current name] isn't confusing to people.

REPRESENTATIVE KOHRING noted that for many years "Commerce" was included in the department's name. He also noted that "Commerce" is used in the name describing similar agencies in other states. Therefore, this name change will minimize any confusion with regard to what this department does in Alaska. Similar agencies in North Dakota, South Dakota, Utah, and other western states include the name "Commerce".

REPRESENTATIVE KERTTULA asked if there is any evidence regarding the confusion surrounding what the Department of Community & Economic Development does in terms of supporting economic development in Alaska.

Number 0673

SALLY SADDLER, Legislative Liaison, Division of Community Advocacy, Department of Community & Economic Development, announced that the department does support the name change as proposed in Version H. Part of the reason for this is that there is some confusion with regard to the department's identity; the department is frequently referred to as the Department of Commerce. With regard to the department's role in addressing the international community, Ms. Saddler informed the committee that there is an executive order to transfer many of those functions to the governor's office. Ms. Saddler noted her agreement with Chair Rokeberg regarding the differing definitions of commerce and economic development. The department views its commerce functions as regulating and enforcing industry to help protect the consumer as well as to provide a stable business climate. The department views its economic development functions as those in which the department coordinates, develops, and implements those programs that bring about sustainable economic development for the state.

Number 0743

CHAIR ROKEBERG related his understanding that the department currently has two fundamental divisions.

MS. SADDLER clarified that the department houses several divisions such as the Division of Community Advocacy, which is

one of the larger divisions. The Division of Community Advocacy is dedicated to providing support to local communities. Many of the regulatory functions occur in the Division of Banking, Securities, & Corporations; the Division of Insurance; and the Division of Occupational Licensing. The department's economic development activities have been housed in the [Division of Trade and Development]. She noted that part of the functions of the aforementioned division were previously in the Division of Community Advocacy. As the members will see in the proposed budget, an office of economic development is being created in order to deal with resource-based issues and promote economic development activities.

Number 0816

REPRESENTATIVE KERTTULA inquired as to what happens in rural Alaska when the departmental name changes such as this occur. She mentioned the sense of loss of identity for communities and inquired as to what the department is doing to overcome that.

MS. SADDLER pointed out that Version H still includes the word "Community", which the department believes to be one of the three core functions the department provides. She noted that the department will continue to have many functions in the various communities in the state that try to meet the needs of the communities that try to achieve self-sufficiency.

REPRESENTATIVE KERTTULA inquired as to what is going to happen with the stationary.

MS. SADDLER said that the department would probably reflect the new name by placing a sticker over the old name.

Number 0912

CHAIR ROKEBERG directed attention to the committee packet and highlighted that HB 288 originally deleted the language "Community and Economic Development" and inserted "Commerce" and thus changed the name of Department of Community & Economic Development to the Department of Commerce. Then CSHB 288(STA) re-inserted "and Economic Development". The version before the committee today, Version H, would re-insert "Community". Chair Rokeberg informed the committee that due to a grammatical rule the proposed departmental name would read as follows: Department of Commerce and Community and Economic Development. He also informed the committee that the acronym for this new

name would be DCCED. After determining no one else wished to testify, Chair Rokeberg closed public testimony.

Number 1003

REPRESENTATIVE COGHILL moved to report 2d CSHB 288, Version 23-LS1030\H, Bullock, 1/15/04, out of committee with individual recommendations and the accompanying zero fiscal note.

REPRESENTATIVE KERTTULA related her belief that this is unnecessary and pointed out that the dictionary's definition of commerce is "the buying and selling of goods" while the definition for the economic development "is of or relating to the development, production, and management of material wealth as of a country, household, or business enterprise". She mentioned that the definition of economic development seems to be more in line with what the department does. However, she noted her appreciation to the chair's addition to the name.

There being no objection, 2d CSHB 288(RLS) was reported from the House Rules Standing Committee.

ADJOURNMENT

There being no further business before the committee, the House Rules Standing Committee meeting was adjourned at 9:50 a.m.