

From the desk of Hon. Maurice McTigue



## Louisiana Streamlining Commission

### *Department of Commerce*

September 17, 2009

#### Preamble:

The reports that we at Mercatus have read to date suggest some ideas for re-organization in core government departments. These ideas may be useful to the Commission in its work.

#### Rational:

This paper is titled Commerce for want of a better descriptive word for the activities and portfolios gathered here. The Commission may choose to use an entirely different title. Our research has led us to identify a concern that no particular department of government seems to be charged with the duty of advocating for the competitiveness of the Louisiana economy. Our suggestion is for a strong voice at the Executive Government level that challenges decisions and initiatives that will be damaging to investment, employment and growth in the Louisiana economy. It also appeared rational that those activities that affect commerce should be housed in one department that has a focus on continuously improving the “ease of doing business” in Louisiana. At the same time, this merging of activities should lead to significant economies of scale through the reduction of overhead costs.

#### Creation of a Department of Commerce:

In our view, a Department of Commerce might be created by merging these activities currently in the portfolio of other departments. By placing these activities under the same roof, there should be an improved consistency of approach that focuses on facilitating the necessary government interactions with the goal of improved commercial activity.

- The core of the department could be centered around the existing Department of Economic Development, but with the expanded mission to improve the competitiveness of the Louisiana economy.
- The commercial activities currently in the portfolio of the Secretary of State would be transferred to the new department.
- The responsibility for all certification of weights and measures should be transferred from Agriculture and any other department that certifies these weights and measures to the new department.
- The Office of the Insurance Commissioner should retain all its statutory independence but should be transferred to the umbrella of the new department for all support services.
- All other activities in other departments that are directly related to commerce should also be transferred to this new department.

Implementation:

This is clearly a major undertaking, and I do not believe that the Commission has the time or the expertise to develop an implementation plan or to identify all the changes to law necessary to put into effect the re-organization by the reporting deadline. The development of the appropriate plans should be the result of a full scoping study of all the issues and carried out by people with the right capabilities. This would likely require the letting of a private sector contract for this work.

Potential Recommendation: (Suggested wording only)

- The Streamlining Commission recommends the creation of a new Executive level Government Department to manage all government business that relates to the conduct of commerce in the State of Louisiana. This new department would have a special focus on the competitiveness of the Louisiana economy and would also be responsible for improving the “ease of doing business” in Louisiana. This new department would replace in total or in part the departments referred to above.