

# HOUSE BILL REPORT

## HB 1249

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**As Reported By House Committee On:**  
Government Administration

**Title:** An act relating to state agencies issuing federal employer identification numbers.

**Brief Description:** Streamlining registration and licensing of businesses.

**Sponsors:** Representatives Dunn, Costa, Sheahan, Sterk, Lantz, Kenney, Lambert, Skinner, Gardner, D. Schmidt, D. Sommers, Ogden, O'Brien, Dunshee, B. Thomas, Wensman, Mason and Kessler; by request of Secretary of State.

**Brief History:**

**Committee Activity:**

Government Administration: 1/28/97, 1/29/97 [DPS].

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### HOUSE COMMITTEE ON GOVERNMENT ADMINISTRATION

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives D. Schmidt, Chairman; D. Sommers, Vice Chairman; Scott, Ranking Minority Member; Gardner, Assistant Ranking Minority Member; Doumit; Dunn; Dunshee; Murray; Reams; Smith; L. Thomas; Wensman and Wolfe.

**Staff:** Steve Lundin (786-7127).

**Background:** The Business License Center, within the Department of Licensing, provides a single location where businesses may apply for a master license incorporating separate licenses issued by different state agencies. The Business License Center is required to keep and distribute information about the separate licenses that may be incorporated into a master license.

Documents relating to corporations, including articles of incorporation, are filed with the secretary of state's office.

The Department of Labor and Industries regulates and licenses a number of occupations, including electricians, and regulates and inspects a number of activities, such as the installation of mobile homes.

The Department of Employment Security administers the state's unemployment compensation program and provides employment and training services.

The Department of Revenue assesses and collects various state taxes and adopts rules relating to those taxes.

**Summary of Substitute Bill:** The director of the Department of Licensing is authorized to contract with the federal Internal Revenue Service and other appropriate federal agencies to issue conditional federal employer identification numbers and other federal credentials or documents in conjunction with any application for a master business license. If authorized, the director of the Department of Licensing may contract with different state agencies or local governments that participate in the master business licensing program to issue these conditional federal employer identification numbers, credentials, and documents in conjunction with applications for maser business licenses.

The secretary of state, director of the Department of Labor and Industries, commissioner of the Department of Employment Security, and director of the Department of Revenue are also authorized to contract with the federal Internal Revenue Service and other appropriate federal agencies to issue conditional federal employer identification numbers, credentials, and documents in conjunction with applications for maser business licenses.

**Substitute Bill Compared to Original Bill:** (1) Corrected the name of the Internal Revenue Service; and (2) Allows contracts with federal agencies, other than the Internal Revenue Service, to issue conditional federal credentials and documents.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date of Substitute Bill:** The bill contains an emergency clause and takes effect on July 1, 1997.

**Testimony For:** We are a user-friendly state for licensing businesses. This increases the friendliness and will save businesses time and money.

**Testimony Against:** None.

**Testified:** Representative Dunn, prime sponsor; and Ralph Munroe and Karen Dick, Office of the Secretary of State.