

SENATE BILL REPORT

SB 5062

As Reported By Senate Committee On:
Law & Justice, January 20, 1997

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

Brief Description: Streamlining registration and licensing of businesses.

Sponsors: Senators Roach, Haugen, Johnson, Winsley and Oke; by request of Secretary of State.

Brief History:

Committee Activity: Law & Justice: 1/16/97, 1/20/97 [DPS].

SENATE COMMITTEE ON LAW & JUSTICE

Majority Report: That Substitute Senate Bill No. 5062 be substituted therefor, and the substitute bill do pass.

Signed by Senators Roach, Chair; Johnson, Vice Chair; Fairley, Goings, Haugen, Jacobsen, Long, McCaslin and Stevens.

Staff: Marty Lovinger (786-7443)

Background: Businesses registering and applying for licenses with state agencies may use consolidated forms to simplify the process. However, businesses are only able to obtain their federal employer identification numbers from the federal government. It is felt that businesses would be less burdened if they could also obtain federal employer identification numbers when registering or applying for licenses with state agencies.

Summary of Substitute Bill: State agencies participating in the master business license program are authorized to contract with any appropriate federal agency to issue federal documents and credentials when businesses apply for registration or licensing.

Substitute Bill Compared to Original Bill: The original bill only allowed state agencies to contract with the IRS for conditional federal employer identification numbers.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: Washington is a lead state in providing one document for multiple purposes to simplify licensing and registration for businesses. This bill is the next obvious step in that it extends to federal documents that could be obtained at the same time.

Testimony Against: None.

Testified: Ralph Munro, Secretary of State (pro).