

# SENATE BILL REPORT

## SB 5967

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As Reported By Senate Committee On:  
Government Operations & Elections, February 28, 2005

**Title:** An act relating to the master licensing service.

**Brief Description:** Concerning the master licensing service.

**Sponsors:** Senators Kastama and Haugen; by request of Department of Licensing.

**Brief History:**

**Committee Activity:** Government Operations & Elections: 2/28/05 [DP, DNP, w/oRec].

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### SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

**Majority Report:** Do pass.

Signed by Senators Kastama, Chair; Berkey, Vice Chair; Fairley, Haugen, Kline and Pridemore.

**Minority Report:** Do not pass.

Signed by Senator Benton.

**Minority Report:** That it be referred without recommendation.

Signed by Senator Roach, Ranking Minority Member.

**Staff:** Cindy Fazio (786-7405)

**Background:** One goal of the master licencing program is to provide a convenient, accessible, and timely one-stop system for the business community to acquire and maintain the necessary state licenses to conduct business. Another goal of the program is to aid the growth of business in Washington State by reducing the paperwork burden on businesses, and promote the elimination of obsolete and duplicative licensing requirements by consolidating existing licenses and applications. The business license center makes information available to the business community concerning all state licensing and regulatory requirements, and to the extent feasible, includes local and federal information concerning the same regulated activities. The system is also designed to enable state agencies to efficiently store, retrieve, and exchange license information with due regard to privacy statutes; to issue and renew master licenses where such licenses are appropriate; and to provide appropriate support services for this objective.

The master license fund is part of the State Treasury. Master application fees, renewal fees, and delinquency fees are deposited into the master license fund. Funds from the account can only be used to administer the master licensing services program.

**Summary of Bill:** With money appropriated for this purpose, the Department of Licensing must administer a performance-based grant program that provides funding assistance to public agencies that issue business licenses, and that wish to join the master licencing service. The

Department of Licensing will determine grant recipients, and the amounts of the grants awarded, based on criteria such as: readiness of the agency to participate; the number of licenses issued by the agency applicant; and the reduced impact to the business community compared to the cost to the Department of Licensing to bring that segment of licensed businesses into the program. The total amount of grants awarded must not exceed seven hundred fifty thousand dollars in any one fiscal year.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** The wide variety of licenses necessary to business makes this service very valuable. Over the years since creation of the program, more agencies and more cities have joined in but there is a problem with the cost to a city or agency to begin the program. This legislation is very important to provide the smaller jurisdictions with seed money to join the program. They will then see savings over time. The money will come from the master licensing fund and will not require any increase in fees.

**Testimony Against:** None.

**Who Testified:** PRO: John Swannack, Department of Licensing; Jim Justin, Association of Washington Cities.