

HOUSE BILL REPORT

SSB 6354

As Reported by House Committee On:
State Government & Tribal Affairs

Title: An act relating to filing of business forms with state agencies.

Brief Description: Requiring state agencies to offer electronic filing for business forms.

Sponsors: Senate Committee on Economic Development, Trade & Innovation (originally sponsored by Senators Rolfes, Kastama, Chase, Tom, Frockt and McAuliffe).

Brief History:

Committee Activity:

State Government & Tribal Affairs: 2/15/12, 2/16/12 [DPA].

**Brief Summary of Substitute Bill
(As Amended by Committee)**

- Requires a state agency requiring a business to submit a document, form, or payment of fee in paper format, to provide the business with the option of submitting such materials electronically.
- Authorizes an agency to exempt a document, form, or payment of a fee from the electronic filing option if: (1) there is a legal requirement that such materials be submitted in paper format; or (2) electronic submission is not technically or fiscally feasible or practical, or in the best interests of businesses.

HOUSE COMMITTEE ON STATE GOVERNMENT & TRIBAL AFFAIRS

Majority Report: Do pass as amended. Signed by 7 members: Representatives Hunt, Chair; Appleton, Vice Chair; Alexander, Darneille, Dunshee, Hurst and McCoy.

Minority Report: Do not pass. Signed by 3 members: Representatives Taylor, Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Condotta.

Staff: Thamas Osborn (786-7129).

Background:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

In recent years it has become commonplace for governmental agencies and commercial entities to use electronic technologies for the receipt, transmission, and filing of important legal documents. In some cases the use of such technology has been extended to the electronic transmission of signatures through electronic media designed to enable reliable signature authentication. The Washington Electronic Authentication Act creates standards and procedures for the use of digital technology in commercial transactions. The act authorizes the Secretary of State (Secretary) to establish rules and procedures governing the use of electronic signatures in order to ensure the authenticity and reliability of electronic messages.

The Secretary, the Public Disclosure Commission, and the Department of Revenue have been given broad grants of authority to establish rules related to the implementation of electronic filing processes for the management of many categories of documents, including those relating to:

- tax returns;
- corporate registration and licensing;
- campaign finance disclosures; and
- the licensing and regulation of nonprofit corporations and charitable organizations.

Summary of Amended Bill:

A state agency that requires a business to submit a document, form, or payment of a fee in paper format must, with limited exceptions, provide the business with the option of submitting such materials electronically. Unless otherwise required, a business may authorize a second party to meet such filing requirements on its behalf.

An agency may exempt a document, form, or payment of a fee from the electronic filing option if:

- there is a legal requirement that such materials be submitted in paper format; or
- electronic submission is not technically or fiscally feasible or practical, or in the best interests of businesses.

If applicable, the director of an agency or the director's designee must establish and maintain a process to notify the public as to what materials have been exempt from electronic filing.

Agencies must add the capability for electronic submissions of existing documents, forms, and fees as part of their normal operations. In addition, any new documents, forms, or fees required of a business must be capable of electronic submission within a reasonable time following either their creation or the implementation of the new requirement.

Agencies must document how they plan to transition from paper to electronic forms.

Amended Bill Compared to Substitute Bill:

The amended bill makes the following changes to the substitute bill:

- clarifies that a document, form, or payment of a fee may be exempt from the requirements of the act if electronic submission is not technically or fiscally feasible or practical, or in the best interests of businesses;
 - requires that agencies must add the capability for electronic submissions of existing documents, forms, and fees as part of their normal operations;
 - requires that new documents, forms, and fees required of a business must be capable of electronic submission within a reasonable time following either their creation or the implementation of the new requirement; and
 - requires that agencies document how they plan to transition from paper to electronic forms.
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Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This is a good bill that will enable agencies to provide better service to small businesses. Rather than providing authorization in piecemeal fashion, this bill authorizes all agencies to provide electronic filing options. Currently, many small businesses have difficulty navigating the maze of regulations they are subject to. The bill will help to ameliorate the problem.

(In support with amendments) There is an amendment being offered that addresses agency concerns. With the amendment this is a good bill.

(Opposed) None.

Persons Testifying: (In support) Senator Rolfes, prime sponsor.

(In support with amendments) Peter Bogdanoff, Governor's Executive Policy Office.

Persons Signed In To Testify But Not Testifying: None.