
Technology & Economic Development Committee

HB 1403

Brief Description: Promoting economic development by providing information to businesses.

Sponsors: Representatives Smith, Morris, Short, Ryu, Magendanz, Blake, Walsh, Hansen, Dahlquist and Maxwell.

Brief Summary of Bill

- Modifies the list of agencies that must fully participate in the Business Licensing Service.
- Specifies the information that the agencies must provide in order to fully participate.
- Requires annual compliance reporting.

Hearing Date: 2/5/13

Staff: Jennifer Thornton (786-7147).

Background:

Business Licensing Service.

The Business Licensing Service (BLS) is the state's primary business licensing portal. Created in the 1970s as the Master License Service at the Department of Licensing, it was renamed in 2011 when legislation was enacted that transferred it to the Department of Revenue. The BLS has a statutory goal to provide a convenient, accessible, and timely one-stop system for the business community to acquire and maintain the necessary licenses to conduct business. The BLS registers businesses, renews licenses, and provides related services for approximately 40,000 businesses monthly, and has more than 115 state licenses available through its website.

Performance Audit on Regulatory Reform.

The State Auditor's Office (SAO) conducts state government audits, local government audits, and performance audits. On September 6, 2012, the SAO released the performance audit

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.

Regulatory Reform: Communicating Regulatory Information and Streamlining Business Rules. Within the audit, the SAO reported that 23 of 26 state regulatory agencies issue business licenses, and that state law requires full participation by 13 state agencies. The performance audit found that:

- only the Department of Revenue provides all of its licenses through the BLS website;
- only 16 percent of all the state's business licenses are available through the BLS website; and
- only two of the ten most-requested licenses are available through the BLS website.

The audit recommended that: (1) the Legislature revise the statute to accurately reflect the specific agencies that issue business licenses; and (2) the Legislature clarify that "full participation" by agencies requires them to provide information and applications for all of their business licenses on the BLS website.

Summary of Bill:

Two agencies are removed, and 13 agencies are added to the existing list of agencies that must fully participate in the Business Licensing Service. Fully participating is described as providing the Department of Revenue (Department) with the application and information necessary to complete the application for every business license issued by an agency.

Each agency must annually provide information on its level of participation to the Department. The Department must compile the information and submit an aggregate report to the Legislature and Governor.

Appropriation: None.

Fiscal Note: Requested.

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