
Finance Committee

HB 1568

Brief Description: Concerning the business licensing service program administered by the department of revenue.

Sponsors: Representatives Carlyle, Nealey and Ryu; by request of Department of Revenue.

Brief Summary of Bill

- Makes technical changes to licensing and trade name laws.

Hearing Date: 2/4/13

Staff: Dominique Meyers (786-7150).

Background:

In 2011, the responsibility for administration of the master license service (MLS) program was transferred from the Department of Licensing (DOL) to the Department of Revenue (DOR). The transfer included funding, staff, and tangible property associated with the MLS.

The responsibilities transferred to the DOR included:

- Administering the MLS, this includes nearly 300 state and local business licenses.
- Establishing handling fees for master applications and renewals by rule, subject to new statutory maximums. The current fees are \$15 for master applications and \$9 for renewal applications. The fees could be increased to \$19 for master applications and \$11 for renewal applications.
- Administering a performance-based grant program, subject to appropriations from the master license account. The grants provide funding assistance to counties and cities that issue business licenses and would like to join the MLS. The total amount of grants may not exceed \$750,000 in a fiscal year.
- Providing information regarding the regulatory programs associated with each license obtainable under the MLS.

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.

The DOR renamed the Master License Service to the Business License Service (BLS) after the transfer in 2011.

Trade Names:

The DOR can specify forms and set fees for trade name registration and renewal by rule. Fees cannot exceed the actual costs to administer the registration and renewal of trade names through the business licensing service and must be deposited into the master license fund. State law does not provide an explicit process in statute for trade name renewal or cancellation.

Summary of Bill:

Many technical changes are made to licensing and trade name laws. In addition, more specificity is provided in state law regarding the renewal and cancellation of trade names. Trade name renewal cannot occur more often than annually. The DOR can cancel the trade name of any person whose business license account becomes inactive in the DOR business license system or at the request of the person the trade name is registered to. The DOR is required to make reasonable effort to provide notice to a person prior to cancellation of a trade name unless it is the person requesting the cancellation of a trade name.

References of the master license service in statute are changed to the business license service.

Obsolete provisions of law are eliminated.

Appropriation: None.

Fiscal Note: Available.

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