SENATE BILL REPORT SB 6354

As Reported by Senate Committee On: Economic Development, Trade & Innovation, January 26, 2012

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: Senators Rolfes, Kastama, Chase, Tom, Frockt and McAuliffe.

Brief History:

Committee Activity: Economic Development, Trade & Innovation: 1/23/12, 1/26/12

[DPS].

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & INNOVATION

Majority Report: That Substitute Senate Bill No. 6354 be substituted therefor, and the substitute bill do pass.

Signed by Senators Kastama, Chair; Chase, Vice Chair; Baumgartner, Ranking Minority Member; Ericksen, Hatfield, Holmquist Newbry, Kilmer, Shin and Zarelli.

Staff: Edward Redmond (786-7471)

Background: The Business License Service (BLS), within the Department of Revenue, provides a single location where businesses may apply for a master license incorporating separate licenses issued by different state agencies. Presently over 100 state licenses, 200 state endorsements, and 70 city licenses are available via BLS. BLS provisions do not apply to certain regulated business and professional activities including those regulated under the Consumer Loan Act, credit unions, banks and trust companies, mutual savings banks, savings and loan associations, and those regulated under the insurance statutes.

In addition to licensure requirements, there are also agency specific documents, forms, and fees that a business must take notice of and timely satisfy. Currently agencies are not required by statute to provide businesses with an electronic option for completing such materials.

Summary of Bill (Recommended Substitute): A state agency that requires a business to submit a document, form, or payment of fee in paper format must, with limited exceptions, provide the business with an option to submit such materials electronically. Unless otherwise

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obligated, a business may authorize a second party to submit such filing requirements on its behalf.

Exceptions to the electronic filing requirement apply where there is a legal requirement for materials to be submitted in paper format or when it is not feasible for such materials to be submitted electronically. If applicable, the director of an agency or the director's designee must, within existing resources, establish and maintain a process to notify the public as to what materials have been exempt from electronic filing.

EFFECT OF CHANGES MADE BY ECONOMIC DEVELOPMENT, TRADE & INNOVATION COMMITTEE (Recommended Substitute): Clarifies that an agency must provide a business the option to submit rather than complete materials electronically.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony on Original Bill: PRO: This bill is being brought forward as a precautionary measure as the Legislature looks at creating a centralized web portal. When we initially started looking into this bill over the summer, we looked at all the different agency codes in statute. Some agencies required certified copies and written statements to be submitted. Instead of going through each piece of the code and writing or electronic option, we decided to write an overriding section that calls for all agencies to provide an electronic option for businesses. This bill allows the agencies to figure out how they want to implement this; it could be as simple as allowing businesses to send documents via PDF.

Persons Testifying: PRO: Senator Rolfes, prime sponsor.