

FINAL BILL REPORT

SHB 1568

C 144 L 13
Synopsis as Enacted

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

Sponsors: House Committee on Finance (originally sponsored by Representatives Carlyle, Nealey and Ryu; by request of Department of Revenue).

House Committee on Finance
Senate Committee on Ways & Means

Background:

In 2011 the responsibility for administration of the Master License Service (MLS) program was transferred from the Department of Licensing 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; and
- providing information regarding the regulatory programs associated with each license obtainable under the MLS.

The MLS was renamed the Business License Service (BLS) after the transfer in 2011.

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

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.

Summary:

Many technical changes are made to business 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 may not occur more often than annually. The DOR may 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 to whom the trade name is registered. 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.

"Person" is defined for disclosure of licensing information in the same manner as for business and occupation taxes, and means certain individuals and entities. "Person" also includes the state and its departments and institutions.

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

Obsolete provisions of the law are eliminated.

Votes on Final Passage:

House	97	0
Senate	47	1

Effective: July 28, 2013
July 1, 2014 (Section 2)