

HOUSE BILL NO. 46

INTRODUCED BY GALVIN, KIMBERLEY

IN THE HOUSE

DECEMBER 29, 1990 INTRODUCED AND REFERRED TO COMMITTEE
ON BUSINESS & ECONOMIC DEVELOPMENT.

JANUARY 7, 1991 FIRST READING.

JANUARY 21, 1991 ON MOTION, ADDITIONAL SPONSORS ADDED.

MARCH 23, 1991 COMMITTEE RECOMMEND BILL
DO PASS AS AMENDED. REPORT ADOPTED.

MARCH 25, 1991 PRINTING REPORT.

APRIL 1, 1991 SECOND READING, DO PASS.

APRIL 2, 1991 ENGROSSING REPORT.

APRIL 3, 1991 THIRD READING, PASSED.
AYES, 77; NOES, 22.

TRANSMITTED TO SENATE.

IN THE SENATE

APRIL 4, 1991 INTRODUCED AND REFERRED TO COMMITTEE
ON BUSINESS & INDUSTRY.

FIRST READING.

APRIL 9, 1991 COMMITTEE RECOMMEND BILL BE
CONCURRED IN. REPORT ADOPTED.

APRIL 15, 1991 SECOND READING, CONCURRED IN AS
AMENDED.

APRIL 16, 1991 THIRD READING, CONCURRED IN.
AYES, 39; NOES, 10.

RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 18, 1991 RECEIVED FROM SENATE.

SECOND READING, AMENDMENTS
CONCURRED IN.

APRIL 19, 1991

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

APRIL 23, 1991

REPORTED CORRECTLY ENROLLED.

APRIL 24, 1991

SIGNED BY PRESIDENT.

SIGNED BY SPEAKER.

DELIVERED TO GOVERNOR.

APRIL 29, 1991

RETURNED FROM GOVERNOR WITH
RECOMMENDED AMENDMENTS.

SECOND READING, GOVERNOR'S
AMENDMENTS CONCURRED IN.

IN THE SENATE

APRIL 29, 1991

SECOND READING, GOVERNOR'S
AMENDMENTS CONCURRED IN.

THIRD READING, GOVERNOR'S
AMENDMENTS CONCURRED IN.

IN THE HOUSE

APRIL 29, 1991

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 HOUSE BILL NO. 46

2 INTRODUCED BY KIMBERLEY

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE MONTANA
5 SMALL BUSINESS LICENSING COORDINATION ACT; ESTABLISHING A
6 BUSINESS REGISTRATION AND LICENSING SYSTEM; ESTABLISHING A
7 BOARD OF REVIEW; AMENDING SECTIONS 30-16-102, 30-16-103,
8 30-16-202, AND 30-16-203, MCA; REPEALING SECTION 30-16-201,
9 MCA; AND PROVIDING EFFECTIVE DATES."

10
11 STATEMENT OF INTENT

12 A statement of intent is required for this bill because
13 [section 3] delegates to the department of commerce
14 authority to make rules necessary to implement the business
15 registration and licensing system. It is the intent of the
16 legislature that the rules adopted conform with applicable
17 provisions of this bill, with other applicable provisions of
18 the Montana Code Annotated, and with the department's rules
19 pertaining to licensing procedures. The legislature further
20 intends that the rules be consistent with provisions in the
21 rules of other agencies authorized to grant licenses or to
22 administer provisions of the licensing laws of Montana.

23
24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

25 Section 1. Section 30-16-102, MCA, is amended to read:

1 ~~"30-16-102. Purpose. The purposes of this chapter are~~
2 ~~to: (1) The number of state licenses and permits required~~
3 ~~for new businesses and the procedures required for the~~
4 ~~renewal of existing licenses place an undue burden on~~
5 ~~business. The legislature believes that the state can reduce~~
6 ~~its costs by coordinating application forms, information,~~
7 ~~and licenses while retaining the authority for determining~~
8 ~~whether to issue a requested license in the agency~~
9 ~~authorized to issue the license or permit. The legislature~~
10 ~~intends that licenses and permits that no longer serve a~~
11 ~~useful purpose in regulating business activities be~~
12 ~~eliminated. Therefore, the legislature intends to establish~~
13 ~~a business registration and licensing system to develop and~~
14 ~~realize the goals and objectives of:~~

15 ~~(a) providing a convenient, accessible, and timely~~
16 ~~system for the business community to acquire and maintain~~
17 ~~the necessary state registrations and licenses to conduct~~
18 ~~business. The system must be operated in a cost-efficient~~
19 ~~manner for the business community and allow the state to:~~

20 ~~(i) provide information to the business community~~
21 ~~concerning all state registration and licensing~~
22 ~~requirements;~~

23 ~~(ii) enable state agencies to:~~

24 ~~(A) efficiently store, retrieve, and exchange~~
25 ~~registration and license information with due regard to~~

1 privacy statutes;

2 (B) issue and renew master licenses when master
3 licenses are appropriate; and

4 (C) provide support services for the objectives
5 contained in this subsection (1)(a)(ii);

6 (iii) provide at designated locations one consolidated
7 application form to be completed by an applicant; and

8 (iv) establish a statewide system of common business
9 identification.

10 ~~(1)(b) eliminate eliminating~~ retail, wholesale,
11 consumer service, manufacturer, and distributor licensing
12 requirements, administrative procedures, and forms that are
13 unnecessary for the protection of the public interest;

14 ~~(2)(c) streamline streamlining and minimize minimizing~~
15 the total government and business costs of necessary
16 licensing and inspection procedures; and

17 ~~(3)(d) distribute distributing~~ equitably the costs of
18 licensing.

19 (2) The legislature further intends to reduce the total
20 number of licenses required to conduct business in Montana."

21 **Section 2.** Section 30-16-103, MCA, is amended to read:

22 "30-16-103. Definitions. As used in this chapter,
23 "license" means the following definitions apply:

24 (1) "Board of review" means the body established to
25 review policies and rules adopted by the department to carry

1 out the provisions of this chapter.

2 (2) "Department" means the department of commerce
3 established in 2-15-1801.

4 (3) "License" means the whole or part of any agency
5 permit, license, certificate, approval, registration, or
6 charter or any form or permission required by law or
7 administrative rule to engage in any retail, wholesale,
8 consumer service, manufacturing, or distributing activity.
9 "License" does not include licenses, permits, or
10 registrations issued under Title 30, chapter 10, parts 1
11 through 3, Title 33, Title 37, and Title 75, and--Title--80--
12 Such--licenses which are excluded from the coverage of this
13 chapter.

14 (4) "Master license" means a document, issued under the
15 system and designed for public display, that certifies state
16 agency approval for a license required by the state for a
17 person subject to the provisions of this chapter.

18 (5) "Person" means an individual, sole proprietorship,
19 partnership, association, cooperative, corporation,
20 nonprofit organization, state or local government agency, or
21 any other organization required to register with the state
22 to do business in Montana and to obtain one or more licenses
23 from the state or any of its agencies.

24 (6) "System" means the business registration and
25 licensing system established in [section 3] and under the

1 administrative control of the department."

2 NEW SECTION. Section 3. Business registration and
3 licensing system -- duties -- plan -- rules. (1) Before
4 January 1, 1992, the department shall develop a plan:

5 (a) to establish an information service detailing all
6 state licenses that are required in order to engage in
7 business in Montana and the locations for applying for those
8 licenses; and

9 (b) for a uniform method by which all state agencies
10 may identify businesses.

11 (2) The method developed under subsection (1)(b) must
12 include a phased approach to:

13 (a) complete a requirements analysis and specification
14 document, including overview systems design;

15 (b) complete a detailed requirements analysis,
16 including general systems design;

17 (c) establish interagency procedures for effectuating
18 the system;

19 (d) select those licenses that will be included in the
20 initial implementation of the system and the date and manner
21 the licenses will be integrated into the system;

22 (e) complete a cost-benefit analysis of the final
23 implementation of this chapter; and

24 (f) conclude a trial application and a test of the
25 system.

1 (3) Beginning January 1, 1992, there is established
2 within the department a business registration and licensing
3 system to implement the information service established and
4 the identification method developed under the provisions of
5 subsection (1).

6 (4) The department shall:

7 (a) before January 1, 1993, develop a computerized
8 system capable of storing, retrieving, and exchanging
9 license information as well as issuing and renewing master
10 licenses efficiently; and

11 (b) on January 4, 1993, recommend to the legislature
12 criteria for the evaluation of existing and proposed forms
13 of licensing authorization.

14 (5) Each state agency shall review its licenses and
15 recommend to the legislature on January 4, 1993, those
16 licenses that should be eliminated or consolidated and
17 justify those that should be retained.

18 (6) The department shall designate a deputy director in
19 charge of the system whose duties include those of executive
20 secretary of the board of review.

21 (7) The department may adopt rules necessary to
22 implement this chapter.

23 NEW SECTION. Section 4. Board of review. (1) There is
24 a board of review. The board's duty is to provide policy
25 direction to the department in the establishment and

1 operation of the business registration and licensing system.
 2 The board of review includes the directors of the
 3 departments of agriculture, commerce, health and
 4 environmental sciences, revenue, social and rehabilitation
 5 services, and family services, the director of the office of
 6 budget and program planning, the commissioner of labor and
 7 industry, the president of the senate or his designee, and
 8 the speaker of the house or his designee.

9 (2) The governor shall appoint a chairman from among
 10 the members of the board.

11 (3) The board shall meet at the call of the chairman at
 12 least once each calendar quarter to:

13 (a) establish interagency policy guidelines for the
 14 system;

15 (b) review the findings, status, and problems of system
 16 operations and recommend courses of action;

17 (c) receive reports from industry and agency task
 18 forces that the board may request to inquire into particular
 19 issues; and

20 (d) recommend, in questionable cases, whether a
 21 particular license falls within the scope of this chapter.

22 NEW SECTION. Section 5. Participation of state
 23 agencies. The legislature directs full participation in the
 24 implementation of this chapter by:

25 (1) the departments of agriculture, commerce, health

1 and environmental sciences, labor and industry, revenue,
 2 social and rehabilitation services, and family services;

3 (2) the secretary of state;

4 (3) the public service commission; and

5 (4) other agencies as directed by the governor.

6 NEW SECTION. Section 6. Authority to issue licenses.

7 Regardless of any authority delegated to the department to
 8 implement the provisions of this chapter, the authority to
 9 issue a license remains with the agency authorized by law to
 10 issue the license.

11 **Section 7.** Section 30-16-202, MCA, is amended to read:

12 "30-16-202. Information availability. The ~~small~~
 13 ~~business licensing---coordination--center--shall~~ business
 14 registration and licensing system is established to
 15 encourage and invite federal and local government agencies
 16 to make license and permit information available to
 17 applicants through the ~~coordination--center~~ system. The
 18 ~~center--shall, where possible, advise~~ system must be designed
 19 to provide advice to applicants of ~~on~~ federal and local
 20 government agency license and permit requirements."

21 **Section 8.** Section 30-16-203, MCA, is amended to read:

22 "30-16-203. New licenses, permits, or modifications.
 23 Each state agency shall report to the ~~coordination-center~~
 24 system any new license or permit or modification of an
 25 existing license or permit that becomes effective as a

1 requirement after April 20, 1981, together with the
2 applicable forms and pertinent rules and information."

1 January 1, 1992.

-End-

3 NEW SECTION. Section 9. Repealer. Section 30-16-201,
4 MCA, is repealed.

5 NEW SECTION. Section 10. Saving clause. (1) [Section
6 3] does not affect rights and duties that matured, penalties
7 that were incurred, or proceedings that were begun before
8 [passage and approval of this act].

9 (2) [Sections 1, 2, and 4 through 12] do not affect
10 rights and duties that matured, penalties that were
11 incurred, or proceedings that were begun before January 1,
12 1992.

13 NEW SECTION. Section 11. Severability. If a part of
14 [this act] is invalid, all valid parts that are severable
15 from the invalid part remain in effect. If a part of [this
16 act] is invalid in one or more of its applications, the part
17 remains in effect in all valid applications that are
18 severable from the invalid applications.

19 NEW SECTION. Section 12. Codification instruction.
20 [Sections 3 through 6] are intended to be codified as an
21 integral part of Title 30, chapter 16, and the provisions of
22 Title 30, chapter 16, apply to [sections 3 through 6].

23 NEW SECTION. Section 13. Effective dates. (1) [Section
24 3] and this section are effective on passage and approval.

25 (2) [Sections 1, 2, and 4 through 12] are effective

-10-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HBO046, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

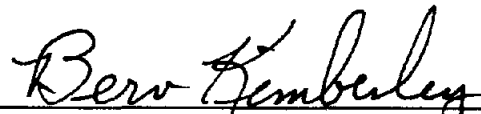
An act revising the Montana Small Business Licensing Coordination Act; establishing a business registration and licensing system; establishing a board of review; amending sections 30-16-102, 30-16-103, 30-16-202 and 60-16-203, MCA; repealing section 30-16-201, MCA; and providing an effective date.

ASSUMPTIONS:

1. The proposed board of review in the Department of Commerce will meet for one day, four times per year. Per diem will be \$150 per meeting or \$600 per year.
2. Development of the business registration and licensing system will occur in FY92 with implementation in FY93.
3. The business registration and licensing system will consist of the main computer at the Department of Commerce with eight terminals distributed among the departments responsible for licensing.
4. The Department of Commerce will need an additional 0.50 FTE system analyst (grade 15) and 1.00 FTE data entry clerk (grade 8) and related operating and equipment to implement the proposed program.
5. The Department of Agriculture will need an additional 1.00 FTE information system specialist (grade 12) and 1.00 FTE assistant (grade 10), plus operating costs, to implement its portion of the program.
6. Development of the licensing system at the Department of Commerce will be funded with general fund.
7. There will be a 5% increase in all license fees administered by the Department of Agriculture effective in FY92 to pay for its responsibilities under the act. All such fees are deposited to the general fund except feed and fertilizer fees which are state special revenue.
8. The review and recommendations concerning design and implementation of the new system will require administrative time in the other affected state departments. Because this is consistent with current administrative duties, there is no fiscal impact.
9. Current law is represented by the executive budget recommendation for the Business Development Division of the Department of Commerce and the Plant Industry Division and the Environmental Management Division of the Department of Agriculture.

 1-8-91

ROD SUNDSTED, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

 1/10/91

BERVYL C. "BERV" KIMBERLEY, PRIMARY SPONSOR DATE

Fiscal Note for HBO046, as introduced.

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FISCAL IMPACT:

Department of Commerce:

	<u>FY 92</u>			<u>FY 93</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
<u>Expenditures:</u>						
FTE	15.00	16.50	1.50	15.00	16.50	1.50
Personal Services	506,075	536,934	30,859	506,250	540,007	33,757
Operating Costs	456,491	471,271	14,780	457,195	503,385	46,190
Equipment	1,250	1,250	0	1,250	1,250	0
Local Assistance/Grants	1,955,650	1,955,650	0	1,955,650	1,955,650	0
Capital Outlay	0	44,770	44,770	0	11,000	11,000
Total	2,919,466	3,009,875	90,409	2,920,345	3,011,292	90,947
<u>Funding:</u>						
General Fund	609,643	700,052	90,409	610,522	701,469	90,947
State Special	39,317	39,317	0	39,317	39,317	0
Federal Special	2,270,506	2,270,506	0	2,270,506	2,270,506	0
Total	2,919,466	3,009,875	90,409	2,920,345	3,011,292	90,947

Dept of Agriculture:

	<u>FY 92</u>			<u>FY 93</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
<u>Expenditures:</u>						
FTE	34.83	36.83	2.00	34.83	36.83	2.00
Personal Services	1,105,972	1,152,114	46,142	1,104,866	1,151,008	46,142
Operating Costs	281,140	287,359	6,219	289,341	291,841	2,500
Total	1,387,112	1,439,473	52,361	1,394,207	1,442,849	48,642
<u>Funding:</u>						
General Fund	1,093,075	1,131,381	38,306	1,102,117	1,136,704	34,587
State Special Feed & Fertilizer	265,037	279,092	14,055	263,090	277,145	14,055
Federal Special	29,000	29,000	0	29,000	29,000	0
Total	1,387,112	1,439,473	52,361	1,394,207	1,442,849	48,642

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EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

None

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

1. The long-term expenses in the Departments of Commerce and Agriculture would be operation and maintenance of the proposed business registration and licensing system, some or all of which may be offset by cost reductions for renewal of licenses in all affected departments.
2. Multiple licensing statutes would be modified in the 1993 Legislative Session and there could be significant costs for the affected departments during the 1995 biennium to convert existing systems to the new system.
3. After FY93, if certain licenses and their associated fees are eliminated because they are determined to be "unnecessary for the protection of the public interest", substantial expenditure and/or revenue impact could occur. (For example, of Office of the Secretary of State is fully funded by license, registration and filing fees on a cost-recovery basis.)

TECHNICAL NOTES:

1. Confidentiality statutes preclude the sharing of taxpayer registrant information thereby creating a potential problem in this area concerning "need-to-know" criteria.
2. Page 9, line 1, "April 20, 1981": Is the intent to make this amendment retroactive?

HB 46

APPROVED BY COMM. ON BUSINESS AND ECONOMIC DEVELOPMENT

HOUSE BILL NO. 46

INTRODUCED BY GALVIN, KIMBERLEY

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE MONTANA SMALL BUSINESS LICENSING COORDINATION ACT; ESTABLISHING A BUSINESS-REGISTRATION-AND-LICENSING-SYSTEM; ESTABLISHING A BOARD OF REVIEW; AMENDING SECTIONS 30-16-102, 30-16-103, 30-16-202, AND 30-16-203, AND 30-16-201, MCA; REPEALING SECTION 30-16-201, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATES DATE."

STATEMENT-OF-INTENT

A statement of intent is required for this bill because section 3 delegates to the department of commerce authority to make rules necessary to implement the business registration and licensing system. It is the intent of the legislature that the rules adopted conform with applicable provisions of this bill, with other applicable provisions of the Montana Code Annotated, and with the department's rules pertaining to licensing procedures. The legislature further intends that the rules be consistent with provisions in the rules of other agencies authorized to grant licenses or to administer provisions of the licensing laws of Montana.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 30-16-102, MCA, is amended to read:

30-16-102. Purpose. The purposes of this chapter are to: (i) The number of state licenses and permits required for new businesses and the procedures required for the renewal of existing licenses place an undue burden on business. The legislature believes that the state can reduce its costs by coordinating application forms, information and licenses while retaining the authority for determining whether to issue a requested license in the agency authorized to issue the license or permit. The legislature intends that licenses and permits that no longer serve a useful purpose in regulating business activities be eliminated. Therefore, the legislature intends to establish a business registration and licensing system to develop and realize the goals and objectives of:

(a) providing a convenient, accessible, and timely system for the business community to acquire and maintain the necessary state registrations and licenses to conduct business. The system must be operated in a cost-efficient manner for the business community and allow the state to:

(i) provide information to the business community concerning all state registration and licensing requirements;

(ii) enable state agencies to:

(A) efficiently store, retrieve, and exchange

~~registration-and-license-information-with-due-regard-to
privacy-statutes;~~

~~{B}-issue-and-renew-master-licenses-when-master
licenses-are-appropriate;-and~~

~~{E}-provide-support-services-for-the-objectives
contained-in-this-subsection-(i)(a)(ii);~~

~~{iii}-provide-at-designated-locations-one-consolidated
application-form-to-be-completed-by-an-applicant;-and~~

~~{iv}-establish-a-statewide-system-of-common-business
identification;~~

~~{i}{b}-eliminate eliminating retail;-wholesaler,
consumer-service,-manufacturer,-and-distributor THE PURPOSES
OF THIS CHAPTER ARE TO:~~

~~(1) ELIMINATE licensing requirements, administrative
procedures, and forms that are unnecessary for the
protection of the public interest;~~

~~{2}{c}(2) streamline streamlining STREAMLINE and
minimize minimizing MINIMIZE the total government and
business costs of necessary licensing and inspection
procedures; and~~

~~{3}{d}(3) distribute distributing DISTRIBUTE equitably
the costs of licensing;~~

~~{2}-The-legislature-further-intends-to-reduce-the-total
number-of-licenses-required-to-conduct-business-in-Montana;~~

~~AND~~

(4) PROVIDE A CONVENIENT, ACCESSIBLE, AND TIMELY SYSTEM
FOR THE BUSINESS COMMUNITY TO ACQUIRE AND MAINTAIN THE
NECESSARY STATE REGISTRATIONS AND LICENSES TO CONDUCT
BUSINESS."

Section 2. Section 30-16-103, MCA, is amended to read:

"30-16-103. Definitions. As used in this chapter,
"license" means the following definitions apply:

(1) "Board of review" means the body established to
review-policies-and-rules-adopted-by-the--department ASSIST
THE DEPARTMENT to carry out the provisions of this chapter.

(2) "Department" means the department of commerce
established in 2-15-1801.

(3) "License" means the whole or part of any agency
permit, license, certificate, approval, registration, or
charter or any form or permission required by law or
administrative rule to engage in any retail, wholesale,
consumer service, manufacturing, or distributing activity.
"License" does not include licenses, permits, or
registrations issued under Title 30, chapter 10, parts 1
through 3, Title 33, Title 37, and Title 75, and--Title--80
AND TITLE 80, -Such-licenses which are excluded from the
coverage of this chapter.

~~{4}-"Master-license"-means-a-document,-issued-under-the
system-and-designed-for-public-display,-that-certifies-state
agency-approval-for-a-license-required-by-the--state--for--a~~

1 ~~person-subject-to-the-provisions-of-this-chapter;~~
2 (5)(4) "Person" means an individual, sole
3 proprietorship, partnership, association, cooperative,
4 corporation, nonprofit organization, state or local
5 government agency, or any other organization required to
6 register with the state to do business in Montana and to
7 obtain one or more licenses from the state or any of its
8 agencies.

9 ~~(6)--"System"--means--the--business--registration--and~~
10 ~~licensing--system--established--in--(section-3)--and--under--the~~
11 ~~administrative-control-of-the-department."~~

12 NEW-SECTION;--Section-3;--Business--registration--and
13 licensing--system-----duties-----plan-----rules--(1)-Before
14 January-17-1992,--the--department--shall--develop--a--plan:

15 (a)--to--establish--an--information--service--detailing--all
16 state--licenses--that--are--required--in--order--to--engage--in
17 business--in--Montana--and--the--locations--for--applying--for--those
18 licenses,--and

19 (b)--for--a--uniform--method--by--which--all--state--agencies
20 may--identify--businesses;

21 (2)--The--method--developed--under--subsection--(1)(b)--must
22 include--a--phased--approach--to:

23 (a)--complete--a--requirements--analysis--and--specification
24 document,--including--overview--systems--design;

25 (b)--complete--a--detailed--requirements--analysis;

1 including-general-systems-design;

2 ~~(c)--establish-interagency-procedures--for--effectuating~~
3 ~~the-system;~~

4 ~~(d)--select--those--licenses--that--will--be--included--in--the~~
5 ~~initial-implementation-of-the-system--and--the--date--and--manner~~
6 ~~the--licenses--will--be--integrated--into--the--system;~~

7 ~~(e)--complete--a--cost-benefit--analysis--of--the--final~~
8 ~~implementation-of-this-chapter;--and~~

9 ~~(f)--conclude--a--trial--application--and--a--test--of--the~~
10 ~~system;~~

11 ~~(3)--Beginning--January--17--1992,--there--is--established~~
12 ~~within--the--department--a--business--registration--and--licensing~~
13 ~~system--to--implement--the--information--service--established--and~~
14 ~~the--identification--method--developed--under--the--provisions--of~~
15 ~~subsection--(1);~~

16 ~~(4)--The--department--shall:~~

17 ~~(a)--before--January--17--1993,--develop--a--computerized~~
18 ~~system--capable--of--storing,--retrieving,--and--exchanging~~
19 ~~license--information--as--well--as--issuing--and--renewing--master~~
20 ~~licenses--efficiently;--and~~

21 ~~(b)--on--January--47-1993,--recommend--to--the--legislature~~
22 ~~criteria--for--the--evaluation--of--existing--and--proposed--forms~~
23 ~~of--licensing--authorization;~~

24 ~~(5)--Each--state--agency--shall--review--its--licenses--and~~
25 ~~recommend--to--the--legislature--on--January--47-1993,--those~~

1 ~~licenses that should be eliminated or consolidated and~~
2 ~~justify those that should be retained.~~

3 ~~(6) The department shall designate a deputy director in~~
4 ~~charge of the system whose duties include those of executive~~
5 ~~secretary of the board of review.~~

6 ~~(7) The department may adopt rules necessary to~~
7 ~~implement this chapter.~~

8 **SECTION 3.** SECTION 30-16-201, MCA, IS AMENDED TO READ:

9 "30-16-201. Designation of small business licensing
10 coordination center -- duties of center. The governor shall
11 designate an agency to department of commerce shall
12 administer a small business licensing coordination center.
13 The small business licensing coordination center shall:

14 (1) document and analyze current licensing
15 requirements, fees, and procedures;

16 (2) recommend elimination of unnecessary licensing
17 requirements, administrative procedures, or forms or parts
18 of forms that can be eliminated in the public interest;

19 (3) recommend efficient and effective improvements in
20 the administration and enforcement of licensing laws,
21 including gathering of information that facilitates the
22 development of a permanent master license certificate;

23 (4) recommend revisions in the license fee structure to
24 distribute the cost of licenses equitably and to provide
25 financing for continuing improvements in licensing

1 administration and enforcement;

2 (5) develop and upon request distribute information
3 concerning state requirements for starting and operating a
4 business in Montana;

5 (6) provide assistance to business enterprises to
6 facilitate their compliance with state licensing
7 requirements;

8 (7) maintain a supply of license and permit forms or
9 applications for all licenses and actively assist the
10 businessman business community in answering application
11 questions;

12 (8) maintain a master list of the business types
13 existing in the state and a corresponding list of the
14 licenses or permits needed to operate or start that type of
15 business;

16 (9) maintain a copy of the Administrative Rules of
17 Montana in order to provide an applicant with the basic
18 rules of any agency with regard to licensing;

19 (10) encourage agencies to provide informational
20 brochures through the center, especially in the case of
21 complex licensing procedures;

22 (11) maintain contact with licensing agencies in order
23 to enable the center to assist an applicant with setting up
24 appointments or otherwise facilitate the application
25 process;

1 (12) perform other administrative tasks delegated to the
 2 center to improve state business license administration; and
 3 (13) on January 4, 1993, present a report to the
 4 legislature containing its analysis and recommendations as
 5 required in subsections (1) through (4)."

6 NEW SECTION. Section 4. Board of review. (1) There is
 7 a board of review. The board's duty is to provide policy
 8 direction to the department in the establishment and
 9 operation of the business registration and licensing system.
 10 The board of review includes REPRESENTATIVES OF the
 11 directors of the departments of agriculture, commerce,
 12 health and environmental sciences, revenue, social and
 13 rehabilitation services, and family services, the director
 14 of the office of budget and program planning, the
 15 commissioner of labor and industry, A REPRESENTATIVE OF THE
 16 PUBLIC SERVICE COMMISSION, THE SECRETARY OF STATE, the
 17 president of the senate or his designee, and the speaker of
 18 the house or his designee.

19 (2) The governor shall appoint a chairman from among
 20 the members of the board.

21 (3) The board shall meet at the call of the chairman at
 22 least once each calendar quarter to:

23 (a) establish interagency policy guidelines for the
 24 system;

25 (b) review the findings, status, and problems of system

1 operations and recommend courses of action;

2 (c) receive reports from industry and agency task
 3 forces that the board may request to inquire into particular
 4 issues; and

5 (d) recommend, in questionable cases, whether a
 6 particular license falls within the scope of this chapter.

7 NEW SECTION. Section 5. Participation of state
 8 agencies. The legislature directs full participation in the
 9 implementation of this chapter by:

10 (1) the departments of agriculture, commerce, health
 11 and environmental sciences, labor and industry, revenue,
 12 social and rehabilitation services, and family services;

13 (2) the secretary of state;

14 (3) the public service commission; and

15 (4) other agencies as directed by the governor.

16 NEW SECTION. Section 6. Authority to issue licenses.

17 Regardless of any authority delegated to the department to
 18 implement the provisions of this chapter, the authority to
 19 issue a license remains with the agency authorized by law to
 20 issue the license.

21 ~~Section 7. Section 30-16-202, MCA, is amended to read:~~
 22 ~~"30-16-202. Information availability. The small~~
 23 ~~business licensing coordination center shall business~~
 24 ~~registration and licensing system is established to~~
 25 ~~encourage and invite federal and local government agencies~~

1 to--make--license--and--permit--information--available--to
 2 applicants--through--the--coordination--center system--The
 3 center--shall,--where--possible,--advise system--must--be--designed
 4 to--provide--advice--to applicants--of on federal--and--local
 5 government--agency--license--and--permit--requirements."

6 Section--8,--Section--30--16--203,--MCA,--is--amended--to--read:
 7 "30--16--203,--New--licenses,--permits,--or--modifications,
 8 Each--state--agency--shall--report--to--the--coordination--center
 9 system any--new--license--or--permit--or--modification--of--an
 10 existing--license--or--permit--that--becomes--effective--as-a
 11 requirement--after--April--20,--1981,--together--with--the
 12 applicable--forms--and--pertinent--rules--and--information."

13 NEW-SECTION,--Section--9,--Repealer,--Section--30--16--201,
 14 MCA,--is--repealed.

15 NEW SECTION. Section 7. Saving clause. "[I]"[SECTION 3]
 16 does [SECTIONS 1 THROUGH 6] DO not affect rights and duties
 17 that matured, penalties that were incurred, or proceedings
 18 that were begun before [passage and approval of this act].

19 {2}--{Sections--17--27--and--4--through--12}--do--not--affect
 20 rights--and--duties--that--matured,--penalties--that--were
 21 incurred,--or--proceedings--that--were--begun--before--January--17
 22 1992.

23 NEW SECTION. Section 8. Severability. If a part of
 24 [this act] is invalid, all valid parts that are severable
 25 from the invalid part remain in effect. If a part of [this

1 act] is invalid in one or more of its applications, the part
 2 remains in effect in all valid applications that are
 3 severable from the invalid applications.

4 NEW SECTION. Section 9. Codification instruction.
 5 [Sections 3 4 through 6] are intended to be codified as an
 6 integral part of Title 30, chapter 16, and the provisions of
 7 Title 30, chapter 16, apply to [sections 3 4 through 6].

8 NEW SECTION. Section 10. Effective dates DATE. "[1]
 9 {Section-3}-and-this-section-are [THIS ACT] IS effective on
 10 passage and approval.

11 {2}--{Sections--17--27--and--4--through--12}--are--effective
 12 January--17--1992.

-End-

HOUSE BILL NO. 46

INTRODUCED BY GALVIN, KIMBERLEY

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE MONTANA SMALL BUSINESS LICENSING COORDINATION ACT; ESTABLISHING A BUSINESS REGISTRATION AND LICENSING SYSTEM; ESTABLISHING A BOARD OF REVIEW; AMENDING SECTIONS 30-16-102, 30-16-103, 30-16-202, AND 30-16-203, AND 30-16-201, MCA; REPEALING SECTION 30-16-201, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE DATE."

STATEMENT OF INTENT

A statement of intent is required for this bill because section 3-3 delegates to the department of commerce authority to make rules necessary to implement the business registration and licensing system; it is the intent of the legislature that the rules adopted conform with applicable provisions of this bill, with other applicable provisions of the Montana Code Annotated, and with the department's rules pertaining to licensing procedures. The legislature further intends that the rules be consistent with provisions in the rules of other agencies authorized to grant licenses or to administer provisions of the licensing laws of Montana.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 30-16-102, MCA, is amended to read:

"30-16-102. Purpose. The purposes of this chapter are to: ~~(i) The number of state licenses and permits required for new businesses and the procedures required for the renewal of existing licenses place an undue burden on business. The legislature believes that the state can reduce its costs by coordinating application forms, information and licenses while retaining the authority for determining whether to issue a requested license in the agency authorized to issue the license or permit. The legislature intends that licenses and permits that no longer serve a useful purpose in regulating business activities be eliminated. Therefore, the legislature intends to establish a business registration and licensing system to develop and realize the goals and objectives of:~~

~~(a) providing a convenient, accessible, and timely system for the business community to acquire and maintain the necessary state registrations and licenses to conduct business. The system must be operated in a cost-efficient manner for the business community and allow the state to:~~

~~(i) provide information to the business community concerning all state registration and licensing requirements;~~

~~(ii) enable state agencies to:~~

~~(A) efficiently store, retrieve, and exchange~~

1 ~~registration and license information with due regard to~~
 2 ~~privacy statutes;~~

3 ~~(B) issue and renew master licenses when master~~
 4 ~~licenses are appropriate; and~~

5 ~~(C) provide support services for the objectives~~
 6 ~~contained in this subsection (i)(a)(ii);~~

7 ~~(iii) provide at designated locations one consolidated~~
 8 ~~application form to be completed by an applicant; and~~

9 ~~(iv) establish a statewide system of common business~~
 10 ~~identification;~~

11 ~~(i)(b) eliminate eliminating retail, wholesaler,~~
 12 ~~consumer service, manufacturer, and distributor~~ THE PURPOSES

13 OF THIS CHAPTER ARE TO:

14 (1) ELIMINATE licensing requirements, administrative
 15 procedures, and forms that are unnecessary for the
 16 protection of the public interest;

17 (2) ~~(c)~~ (2) streamline streamlining STREAMLINE and
 18 minimize minimizing MINIMIZE the total government and
 19 business costs of necessary licensing and inspection
 20 procedures; and

21 (3) ~~(d)~~ (3) distribute distributing DISTRIBUTE equitably
 22 the costs of licensing;

23 (2) ~~The legislature further intends to reduce the total~~
 24 ~~number of licenses required to conduct business in Montana;~~

25 AND

1 (4) PROVIDE A CONVENIENT, ACCESSIBLE, AND TIMELY SYSTEM
 2 FOR THE BUSINESS COMMUNITY TO ACQUIRE AND MAINTAIN THE
 3 NECESSARY STATE REGISTRATIONS AND LICENSES TO CONDUCT
 4 BUSINESS."

5 Section 2. Section 30-16-103, MCA, is amended to read:

6 "30-16-103. Definitions. As used in this chapter,
 7 "license" means the following definitions apply:

8 (1) "Board of review" means the body established to
 9 review policies and rules adopted by the department ASSIST
 10 THE DEPARTMENT to carry out the provisions of this chapter.

11 (2) "Department" means the department of commerce
 12 established in 2-15-1801.

13 (3) "License" means the whole or part of any agency
 14 permit, license, certificate, approval, registration, or
 15 charter or any form or permission required by law or
 16 administrative rule to engage in any retail, wholesale,
 17 consumer service, manufacturing, or distributing activity.
 18 "License" does not include licenses, permits, or
 19 registrations issued under Title 30, chapter 10, parts 1
 20 through 3, Title 33, Title 37, and Title 75, and ~~Title 80~~
 21 AND TITLE 80, ~~Such licenses which~~ are excluded from the
 22 coverage of this chapter.

23 (4) ~~"Master license" means a document issued under the~~
 24 ~~system and designed for public display, that certifies state~~
 25 ~~agency approval for a license required by the state for a~~

1 ~~person subject to the provisions of this chapter:~~
 2 ~~{5}{4} "Person" means an individual, sole~~
 3 ~~proprietorship, partnership, association, cooperative,~~
 4 ~~corporation, nonprofit organization, state or local~~
 5 ~~government agency, or any other organization required to~~
 6 ~~register with the state to do business in Montana and to~~
 7 ~~obtain one or more licenses from the state or any of its~~
 8 ~~agencies.~~
 9 ~~{6}--"System" means the business registration and~~
 10 ~~licensing system established in {section 3} and under the~~
 11 ~~administrative control of the department."~~
 12 ~~NEW SECTION: Section 3. Business registration and~~
 13 ~~licensing system duties plan rules. (1) Before~~
 14 ~~January 17, 1992, the department shall develop a plan:~~
 15 ~~(a) to establish an information service detailing all~~
 16 ~~state licenses that are required in order to engage in~~
 17 ~~business in Montana and the locations for applying for those~~
 18 ~~licenses; and~~
 19 ~~(b) for a uniform method by which all state agencies~~
 20 ~~may identify businesses.~~
 21 ~~(2) The method developed under subsection (1)(b) must~~
 22 ~~include a phased approach to:~~
 23 ~~(a) complete a requirements analysis and specification~~
 24 ~~document, including overview systems design;~~
 25 ~~(b) complete a detailed requirements analysis;~~

1 including general systems design;
 2 (c) establish interagency procedures for effectuating
 3 the system;
 4 (d) select those licenses that will be included in the
 5 initial implementation of the system and the date and manner
 6 the licenses will be integrated into the system;
 7 (e) complete a cost-benefit analysis of the final
 8 implementation of this chapter; and
 9 (f) conclude a trial application and a test of the
 10 system.
 11 (3) Beginning January 17, 1992, there is established
 12 within the department a business registration and licensing
 13 system to implement the information service established and
 14 the identification method developed under the provisions of
 15 subsection (1).
 16 (4) The department shall:
 17 (a) before January 17, 1993, develop a computerized
 18 system capable of storing, retrieving, and exchanging
 19 license information as well as issuing and renewing master
 20 licenses efficiently; and
 21 (b) on January 47, 1993, recommend to the legislature
 22 criteria for the evaluation of existing and proposed forms
 23 of licensing authorization.
 24 (5) Each state agency shall review its licenses and
 25 recommend to the legislature on January 47, 1993, those

1 ~~licenses that should be eliminated or consolidated and~~
2 ~~justify those that should be retained;~~

3 ~~(6) The department shall designate a deputy director in~~
4 ~~charge of the system whose duties include those of executive~~
5 ~~secretary of the board of review;~~

6 ~~(7) The department may adopt rules necessary to~~
7 ~~implement this chapter;~~

8 **SECTION 3. SECTION 30-16-201, MCA, IS AMENDED TO READ:**

9 "30-16-201. Designation of small business licensing
10 coordination center -- duties of center. The governor shall
11 designate an agency to department of commerce shall
12 administer a small business licensing coordination center.
13 The small business licensing coordination center shall:

14 (1) document and analyze current licensing
15 requirements, fees, and procedures;

16 (2) recommend elimination of unnecessary licensing
17 requirements, administrative procedures, or forms or parts
18 of forms that can be eliminated in the public interest;

19 (3) recommend efficient and effective improvements in
20 the administration and enforcement of licensing laws,
21 including gathering of information that facilitates the
22 development of a permanent master license certificate;

23 (4) recommend revisions in the license fee structure to
24 distribute the cost of licenses equitably and to provide
25 financing for continuing improvements in licensing

1 administration and enforcement;

2 (5) develop and upon request distribute information
3 concerning state requirements for starting and operating a
4 business in Montana;

5 (6) provide assistance to business enterprises to
6 facilitate their compliance with state licensing
7 requirements;

8 (7) maintain a supply of license and permit forms or
9 applications for all licenses and actively assist the
10 businessman business community in answering application
11 questions;

12 (8) maintain a master list of the business types
13 existing in the state and a corresponding list of the
14 licenses or permits needed to operate or start that type of
15 business;

16 (9) maintain a copy of the Administrative Rules of
17 Montana in order to provide an applicant with the basic
18 rules of any agency with regard to licensing;

19 (10) encourage agencies to provide informational
20 brochures through the center, especially in the case of
21 complex licensing procedures;

22 (11) maintain contact with licensing agencies in order
23 to enable the center to assist an applicant with setting up
24 appointments or otherwise facilitate the application
25 process;

1 (12) perform other administrative tasks delegated to the
 2 center to improve state business license administration; and
 3 (13) on January 4, 1993, present a report to the
 4 legislature containing its analysis and recommendations as
 5 required in subsections (1) through (4)."

6 NEW SECTION. Section 4. Board of review. (1) There is
 7 a board of review. The board's duty is to provide policy
 8 direction to the department in the establishment and
 9 operation of the business registration and licensing system.
 10 The board of review includes REPRESENTATIVES OF the
 11 directors of the departments of agriculture, commerce,
 12 health and environmental sciences, revenue, social and
 13 rehabilitation services, and family services, the director
 14 of the office of budget and program planning, the
 15 commissioner of labor and industry, A REPRESENTATIVE OF THE
 16 PUBLIC SERVICE COMMISSION, THE SECRETARY OF STATE, the
 17 president of the senate or his designee, and the speaker of
 18 the house or his designee.

19 (2) The governor shall appoint a chairman from among
 20 the members of the board.

21 (3) The board shall meet at the call of the chairman at
 22 least once each calendar quarter to:

23 (a) establish interagency policy guidelines for the
 24 system;

25 (b) review the findings, status, and problems of system

1 operations and recommend courses of action;

2 (c) receive reports from industry and agency task
 3 forces that the board may request to inquire into particular
 4 issues; and

5 (d) recommend, in questionable cases, whether a
 6 particular license falls within the scope of this chapter.

7 NEW SECTION. Section 5. Participation of state
 8 agencies. The legislature directs full participation in the
 9 implementation of this chapter by:

10 (1) the departments of agriculture, commerce, health
 11 and environmental sciences, labor and industry, revenue,
 12 social and rehabilitation services, and family services;

13 (2) the secretary of state;

14 (3) the public service commission; and

15 (4) other agencies as directed by the governor.

16 NEW SECTION. Section 6. Authority to issue licenses.

17 Regardless of any authority delegated to the department to
 18 implement the provisions of this chapter, the authority to
 19 issue a license remains with the agency authorized by law to
 20 issue the license.

21 ~~Section 7. Section 30-16-202, MCA, is amended to read:~~

22 ~~"30-16-202. Information availability. The small~~
 23 ~~business licensing coordination center shall business~~
 24 ~~registration and licensing system is established to~~
 25 ~~encourage and invite federal and local government agencies~~

1 to--make--license--and--permit--information---available---to
 2 applicants--through--the--coordination--center system.--The
 3 center--shall,--where--possible,--advise system--must--be--designed
 4 to--provide--advice--to applicants--of on federal--and--local
 5 government--agency--license--and--permit--requirements.~

6 Section-8.---Section-30-16-203,--MCA,--is--amended--to--read:
 7 "30-16-203.---New--licenses,--permits,--or--modifications:
 8 Each--state--agency--shall--report--to--the--coordination--center
 9 system any--new--license--or--permit--or--modification--of--an
 10 existing--license--or--permit--that--becomes--effective--as--a
 11 requirement--after--April--20,--1981,--together---with---the
 12 applicable--forms--and--pertinent--rules--and--information.~

13 NEW-SECTION,--Section-9,--Repealer,--Section--30-16-201,
 14 MCA,--is--repealed.

15 NEW SECTION. Section 7. Saving clause.~(1)~[SECTION 3]
 16 does [SECTIONS 1 THROUGH 6] DO not affect rights and duties
 17 that matured, penalties that were incurred, or proceedings
 18 that were begun before [passage and approval of this act].

19 (2)~{Sections--1,--2,--and--4--through--12}--do--not--affect
 20 rights--and--duties--that--matured,--penalties---that---were
 21 incurred,--or--proceedings--that--were--begun--before--January--1,
 22 1992.

23 NEW SECTION. Section 8. Severability. If a part of
 24 [this act] is invalid, all valid parts that are severable
 25 from the invalid part remain in effect. If a part of [this

1 act] is invalid in one or more of its applications, the part
 2 remains in effect in all valid applications that are
 3 severable from the invalid applications.

4 NEW SECTION. Section 9. Codification instruction.
 5 [Sections 3 4 through 6] are intended to be codified as an
 6 integral part of Title 30, chapter 16, and the provisions of
 7 Title 30, chapter 16, apply to [sections 3 4 through 6].

8 NEW SECTION. Section 10. Effective ~DATE~ DATE. ~(1)
 9 {Section-3}--and--this--section--are [THIS ACT] IS effective on
 10 passage and approval.

11 (2)~{Sections--1,--2,--and--4--through--12}--are--effective
 12 January-1,--1992.

-End-

SENATE COMMITTEE OF THE WHOLE AMENDMENT

April 9, 1991 11:51 am

Mr. Chairman: I move to amend House Bill No. 46 (third reading copy -- blue) as follows:

1. Page 9, lines 15 and 16.

Following: "OF" on line 15

Strike: "THE PUBLIC SERVICE COMMISSION,"

2. Page 10, line 14.

Strike: "(3) the public service commission;"

Renumber: subsequent subsection

ADOPT

REJECT

Signed: _____


Senator Lynch

~~MA~~ 4-9-91
Asst. Coord.

SB 4-9 1:00
Sec. of Senate

SENATE
HB 46

HOUSE BILL NO. 46

INTRODUCED BY GALVIN, KIMBERLEY

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE MONTANA SMALL BUSINESS LICENSING COORDINATION ACT; ESTABLISHING A BUSINESS REGISTRATION AND LICENSING SYSTEM; ESTABLISHING A BOARD OF REVIEW; AMENDING SECTIONS 30-16-102, 30-16-103, 30-16-202, AND 30-16-203; AND 30-16-201, MCA; REPEALING SECTION 30-16-201, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE DATE."

STATEMENT OF INTENT

A statement of intent is required for this bill because section 3 delegates to the department of commerce authority to make rules necessary to implement the business registration and licensing system. It is the intent of the legislature that the rules adopted conform with applicable provisions of this bill, with other applicable provisions of the Montana Code Annotated, and with the department's rules pertaining to licensing procedures. The legislature further intends that the rules be consistent with provisions in the rules of other agencies authorized to grant licenses or to administer provisions of the licensing laws of Montana.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 30-16-102, MCA, is amended to read:

30-16-102. Purpose. The purposes of this chapter are to: (i) The number of state licenses and permits required for new businesses and the procedures required for the renewal of existing licenses place an undue burden on business. The legislature believes that the state can reduce its costs by coordinating application forms, information, and licenses while retaining the authority for determining whether to issue a requested license in the agency authorized to issue the license or permit. The legislature intends that licenses and permits that no longer serve a useful purpose in regulating business activities be eliminated. Therefore, the legislature intends to establish a business registration and licensing system to develop and realize the goals and objectives of:

(a) providing a convenient, accessible, and timely system for the business community to acquire and maintain the necessary state registrations and licenses to conduct business. The system must be operated in a cost-efficient manner for the business community and allow the state to:

(i) provide information to the business community concerning all state registration and licensing requirements;

(ii) enable state agencies to:

(A) efficiently store, retrieve, and exchange



1 ~~registration and license information with due regard to~~
2 ~~privacy statutes;~~
3 ~~{B} issue and renew master licenses when master~~
4 ~~licenses are appropriate; and~~
5 ~~{C} provide support services for the objectives~~
6 ~~contained in this subsection (1)(a)(ii);~~
7 ~~{iii} provide at designated locations one consolidated~~
8 ~~application form to be completed by an applicant; and~~
9 ~~{iv} establish a statewide system of common business~~
10 ~~identification;~~
11 ~~{1}(b) eliminate eliminating retail, wholesale,~~
12 ~~consumer service, manufacturer, and distributor THE PURPOSES~~
13 ~~OF THIS CHAPTER ARE TO:~~
14 ~~{1} ELIMINATE licensing requirements, administrative~~
15 ~~procedures, and forms that are unnecessary for the~~
16 ~~protection of the public interest;~~
17 ~~{2}(c)(2) streamline streamlining STREAMLINE and~~
18 ~~minimize minimizing MINIMIZE the total government and~~
19 ~~business costs of necessary licensing and inspection~~
20 ~~procedures; and~~
21 ~~{3}(d)(3) distribute distributing DISTRIBUTE equitably~~
22 ~~the costs of licensing;~~
23 ~~{2} The legislature further intends to reduce the total~~
24 ~~number of licenses required to conduct business in Montana;~~
25 ~~AND~~

1 ~~(4) PROVIDE A CONVENIENT, ACCESSIBLE, AND TIMELY SYSTEM~~
2 ~~FOR THE BUSINESS COMMUNITY TO ACQUIRE AND MAINTAIN THE~~
3 ~~NECESSARY STATE REGISTRATIONS AND LICENSES TO CONDUCT~~
4 ~~BUSINESS."~~
5 ~~Section 2. Section 30-16-103, MCA, is amended to read:~~
6 ~~"30-16-103. Definitions. As used in this chapter,~~
7 ~~"license" means the following definitions apply:~~
8 ~~{1} "Board of review" means the body established to~~
9 ~~review policies and rules adopted by the department ASSIST~~
10 ~~THE DEPARTMENT to carry out the provisions of this chapter.~~
11 ~~{2} "Department" means the department of commerce~~
12 ~~established in 2-15-1801.~~
13 ~~{3} "License" means the whole or part of any agency~~
14 ~~permit, license, certificate, approval, registration, or~~
15 ~~charter or any form or permission required by law or~~
16 ~~administrative rule to engage in any retail, wholesale,~~
17 ~~consumer service, manufacturing, or distributing activity.~~
18 ~~"License" does not include licenses, permits, or~~
19 ~~registrations issued under Title 30, chapter 10, parts 1~~
20 ~~through 3, Title 33, Title 37, and Title 75, and Title 80~~
21 ~~AND TITLE 80, and such licenses which are excluded from the~~
22 ~~coverage of this chapter.~~
23 ~~{4} "Master license" means a document, issued under the~~
24 ~~system and designed for public display, that certifies state~~
25 ~~agency approval for a license required by the state for a~~

1 ~~person-subject-to-the-provisions-of-this-chapter;~~
 2 ~~(5)(4) "Person" means an individual, sole~~
 3 ~~proprietorship, partnership, association, cooperative,~~
 4 ~~corporation, nonprofit organization, state or local~~
 5 ~~government agency, or any other organization required to~~
 6 ~~register with the state to do business in Montana and to~~
 7 ~~obtain one or more licenses from the state or any of its~~
 8 ~~agencies.~~

9 ~~(6)--"System"--means--the--business---registration---and~~
 10 ~~licensing--system--established--in--(section-3)--and--under--the~~
 11 ~~administrative-control-of-the-department--"~~

12 ~~NEW-SECTION;--Section-3;--Business---registration---and~~
 13 ~~licensing--system-----duties-----plan-----rules--(1)-Before~~
 14 ~~January-17-1992;--the-department-shall-develop-a-plan:~~

15 ~~(a)--to-establish-an-information-service--detailing--all~~
 16 ~~state--licenses--that--are--required--in--order--to--engage--in~~
 17 ~~business--in--Montana--and--the--locations--for--applying--for--those~~
 18 ~~licenses;--and~~

19 ~~(b)--for-a-uniform-method-by-which--all--state--agencies~~
 20 ~~may-identify-businesses;~~

21 ~~(2)--The--method--developed--under--subsection--(1)(b)--must~~
 22 ~~include-a-phased-approach-to:~~

23 ~~(a)--complete-a-requirements-analysis-and--specification~~
 24 ~~document;--including-overview-systems-design;~~

25 ~~(b)--complete-----a--detailed---requirements---analysis;~~

1 ~~including-general-systems-design;~~
 2 ~~(c)--establish-interagency-procedures--for--effectuating~~
 3 ~~the-system;~~

4 ~~(d)--select--those--licenses--that--will--be--included--in--the~~
 5 ~~initial-implementation-of-the-system-and-the-date-and-manner~~
 6 ~~the-licenses-will-be-integrated-into-the-system;~~

7 ~~(e)--complete--a--cost-benefit--analysis--of--the--final~~
 8 ~~implementation-of-this-chapter;--and~~

9 ~~(f)--conclude-a-trial-application--and--a--test--of--the~~
 10 ~~system;~~

11 ~~(3)--Beginning--January--17--1992;--there-is-established~~
 12 ~~within-the-department-a-business-registration-and--licensing~~
 13 ~~system--to-impleent-the-information-service-established-and~~
 14 ~~the-identification-method-developed-under-the-provisions--of~~
 15 ~~subsection--(1);~~

16 ~~(4)--The-department-shall:~~

17 ~~(a)--before--January--17--1993;--develop--a-computerized~~
 18 ~~system--capable--of--storing;--retrieving;--and--exchanging~~
 19 ~~license--information--as-well-as-issuing-and-renewing-master~~
 20 ~~licenses-efficiently;--and~~

21 ~~(b)--on-January-47-1993;--recommend--to--the--legislature~~
 22 ~~criteria--for--the-evaluation-of-existing-and-proposed-forms~~
 23 ~~of-licensing-authorization;~~

24 ~~(5)--Each-state-agency-shall--review--its--licenses--and~~
 25 ~~recommend--to--the--legislature--on-January--47-1993;--those~~

1 ~~licenses that should be eliminated or consolidated and~~
2 ~~justify those that should be retained.~~

3 ~~(6) The department shall designate a deputy director in~~
4 ~~charge of the system whose duties include those of executive~~
5 ~~secretary of the board of review.~~

6 ~~(7) The department may adopt rules necessary to~~
7 ~~implement this chapter.~~

8 **SECTION 3. SECTION 30-16-201, MCA, IS AMENDED TO READ:**

9 "30-16-201. Designation of small business licensing
10 coordination center -- duties of center. The governor shall
11 ~~designate an agency to~~ department of commerce shall
12 administer a small business licensing coordination center.
13 The small business licensing coordination center shall:

14 (1) document and analyze current licensing
15 requirements, fees, and procedures;

16 (2) recommend elimination of unnecessary licensing
17 requirements, administrative procedures, or forms or parts
18 of forms that can be eliminated in the public interest;

19 (3) recommend efficient and effective improvements in
20 the administration and enforcement of licensing laws,
21 including gathering of information that facilitates the
22 development of a permanent master license certificate;

23 (4) recommend revisions in the license fee structure to
24 distribute the cost of licenses equitably and to provide
25 financing for continuing improvements in licensing

1 administration and enforcement;

2 (5) develop and upon request distribute information
3 concerning state requirements for starting and operating a
4 business in Montana;

5 (6) provide assistance to business enterprises to
6 facilitate their compliance with state licensing
7 requirements;

8 (7) maintain a supply of license and permit forms or
9 applications for all licenses and actively assist the
10 businessman business community in answering application
11 questions;

12 (8) maintain a master list of the business types
13 existing in the state and a corresponding list of the
14 licenses or permits needed to operate or start that type of
15 business;

16 (9) maintain a copy of the Administrative Rules of
17 Montana in order to provide an applicant with the basic
18 rules of any agency with regard to licensing;

19 (10) encourage agencies to provide informational
20 brochures through the center, especially in the case of
21 complex licensing procedures;

22 (11) maintain contact with licensing agencies in order
23 to enable the center to assist an applicant with setting up
24 appointments or otherwise facilitate the application
25 process;

1 (12) perform other administrative tasks delegated to the
 2 center to improve state business license administration; and
 3 (13) on January 4, 1993, present a report to the
 4 legislature containing its analysis and recommendations as
 5 required in subsections (1) through (4)."

6 NEW SECTION. Section 4. Board of review. (1) There is
 7 a board of review. The board's duty is to provide policy
 8 direction to the department in the establishment and
 9 operation of the business registration and licensing system.
 10 The board of review includes REPRESENTATIVES OF the
 11 directors of the departments of agriculture, commerce,
 12 health and environmental sciences, revenue, social and
 13 rehabilitation services, and family services, the director
 14 of the office of budget and program planning, the
 15 commissioner of labor and industry, A REPRESENTATIVE OF THE
 16 PUBLIC--SERVICE--COMMISSION, THE SECRETARY OF STATE, the
 17 president of the senate or his designee, and the speaker of
 18 the house or his designee.

19 (2) The governor shall appoint a chairman from among
 20 the members of the board.

21 (3) The board shall meet at the call of the chairman at
 22 least once each calendar quarter to:

23 (a) establish interagency policy guidelines for the
 24 system;

25 (b) review the findings, status, and problems of system

1 operations and recommend courses of action;

2 (c) receive reports from industry and agency task
 3 forces that the board may request to inquire into particular
 4 issues; and

5 (d) recommend, in questionable cases, whether a
 6 particular license falls within the scope of this chapter.

7 NEW SECTION. Section 5. Participation of state
 8 agencies. The legislature directs full participation in the
 9 implementation of this chapter by:

10 (1) the departments of agriculture, commerce, health
 11 and environmental sciences, labor and industry, revenue,
 12 social and rehabilitation services, and family services;

13 (2) the secretary of state;

14 ~~{3}--the-public-service-commission; and~~

15 ~~{4}{3}~~ other agencies as directed by the governor.

16 NEW SECTION. Section 6. Authority to issue licenses.

17 Regardless of any authority delegated to the department to
 18 implement the provisions of this chapter, the authority to
 19 issue a license remains with the agency authorized by law to
 20 issue the license.

21 ~~Section 7--Section 30-16-202, MCA, is amended to read:~~

22 ~~"30-16-202--Information--availability---The---small~~
 23 ~~business---licensing---coordination---center---shall business~~
 24 ~~registration--and--licensing--system--is--established--to~~
 25 ~~encourage--and--invite--federal--and--local--government--agencies~~

1 to--make--license--and--permit--information---available---to
 2 applicants--through--the--coordination--center system--The
 3 center--shall,--where--possible,--advise system--must--be--designed
 4 to--provide--advice--to applicants--of on federal--and--local
 5 government--agency--license--and--permit--requirements;"

6 Section-8:--Section-30-16-203, MCA, is amended to read:
 7 "30-16-203. New licenses, permits, or modifications.
 8 Each--state--agency--shall--report--to--the--coordination--center
 9 system any new license or permit or modification of an
 10 existing--license--or--permit--that--becomes--effective--as--a
 11 requirement--after--April--20,--1981,--together--with--the
 12 applicable forms and pertinent rules and information."

13 NEW SECTION. Section 9. Repealer. Section--30-16-201,
 14 MCA, is repealed.

15 NEW SECTION. Section 7. Saving clause. "[1] [SECTION 3]
 16 does [SECTIONS 1 THROUGH 6] DO not affect rights and duties
 17 that matured, penalties that were incurred, or proceedings
 18 that were begun before [passage and approval of this act].

19 {2}--{Sections--1,--2,--and--4--through--12}--do--not--affect
 20 rights--and--duties--that--matured,--penalties---that---were
 21 incurred,--or--proceedings--that--were--begun--before--January--1,
 22 1992.

23 NEW SECTION. Section 8. Severability. If a part of
 24 [this act] is invalid, all valid parts that are severable
 25 from the invalid part remain in effect. If a part of [this

1 act] is invalid in one or more of its applications, the part
 2 remains in effect in all valid applications that are
 3 severable from the invalid applications.

4 NEW SECTION. Section 9. Codification instruction.
 5 [Sections 3 4 through 6] are intended to be codified as an
 6 integral part of Title 30, chapter 16, and the provisions of
 7 Title 30, chapter 16, apply to [sections 3 4 through 6].

8 NEW SECTION. Section 10. Effective dates. "(1)
 9 {Section 3} and this section are [THIS ACT] IS effective on
 10 passage and approval.

11 {2}--{Sections--1,--2,--and--4--through--12}--are--effective
 12 January--1,--1992.

-End-

GOVERNOR'S AMENDMENTS TO
HOUSE BILL 46
(REFERENCE COPY, AS AMENDED)
April 29, 1991

1. Title, lines 6 and 7

Following: "~~SYSTEM,~~"

Strike: "ESTABLISHING A BOARD OF REVIEW;"

2. Page 4, lines 8 through 10.

Following: line 7

Strike: subsection (1) in its entirety

Renumber: subsequent subsections

3. Page 9, line 6 through page 10, line 15

Strike: Section 4 and 5 in their entirety

Renumber: subsequent sections

Gov Amend
HB 46



AN ACT REVISING THE MONTANA SMALL BUSINESS LICENSING COORDINATION ACT; AMENDING SECTIONS 30-16-102, 30-16-103, AND 30-16-201, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 30-16-102, MCA, is amended to read:

"30-16-102. Purpose. The purposes of this chapter are to:

(1) eliminate ~~retail, wholesale, consumer service, manufacturer, and distributor~~ licensing requirements, administrative procedures, and forms that are unnecessary for the protection of the public interest;

(2) streamline and minimize the total government and business costs of necessary licensing and inspection procedures; and

(3) distribute equitably the costs of licensing; and

(4) provide a convenient, accessible, and timely system for the business community to acquire and maintain the necessary state registrations and licenses to conduct business."

Section 2. Section 30-16-103, MCA, is amended to read:

"30-16-103. Definitions. As used in this chapter, "license" means the following definitions apply:

(1) "Department" means the department of commerce established in 2-15-1801.

(2) "License" means the whole or part of any agency permit, license, certificate, approval, registration, or charter or any form or permission required by law or administrative rule to

engage in any retail, wholesale, consumer service, manufacturing, or distributing activity. "License" does not include licenses, permits, or registrations issued under Title 30, chapter 10, parts 1 through 3, Title 33, Title 37, Title 75, and Title 80, ~~and~~ such licenses which are excluded from the coverage of this chapter.

(3) "Person" means an individual, sole proprietorship, partnership, association, cooperative, corporation, nonprofit organization, state or local government agency, or any other organization required to register with the state to do business in Montana and to obtain one or more licenses from the state or any of its agencies."

Section 3. Section 30-16-201, MCA, is amended to read:

"30-16-201. Designation of small business licensing coordination center -- duties of center. The governor ~~shall designate an agency to~~ department of commerce shall administer a small business licensing coordination center. The small business licensing coordination center shall:

(1) document and analyze current licensing requirements, fees, and procedures;

(2) recommend elimination of unnecessary licensing requirements, administrative procedures, or forms or parts of forms that can be eliminated in the public interest;

(3) recommend efficient and effective improvements in the administration and enforcement of licensing laws, including gathering of information that facilitates the development of a

permanent master license certificate;

(4) recommend revisions in the license fee structure to distribute the cost of licenses equitably and to provide financing for continuing improvements in licensing administration and enforcement;

(5) develop and upon request distribute information concerning state requirements for starting and operating a business in Montana;

(6) provide assistance to business enterprises to facilitate their compliance with state licensing requirements;

(7) maintain a supply of license and permit forms or applications for all licenses and actively assist the businessman business community in answering application questions;

(8) maintain a master list of the business types existing in the state and a corresponding list of the licenses or permits needed to operate or start that type of business;

(9) maintain a copy of the Administrative Rules of Montana in order to provide an applicant with the basic rules of any agency with regard to licensing;

(10) encourage agencies to provide informational brochures through the center, especially in the case of complex licensing procedures;

(11) maintain contact with licensing agencies in order to enable the center to assist an applicant with setting up appointments or otherwise facilitate the application process;

(12) perform other administrative tasks delegated to the center to improve state business license administration; and

(13) on January 4, 1993, present a report to the legislature containing its analysis and recommendations as required in subsections (1) through (4)."

Section 4. **Authority to issue licenses.** Regardless of any authority delegated to the department to implement the provisions of this chapter, the authority to issue a license remains with the agency authorized by law to issue the license.

Section 5. **Saving clause.** [Sections 1 through 4] do not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before [passage and approval of this act].

Section 6. **Severability.** If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

Section 7. **Codification instruction.** [Section 4] is intended to be codified as an integral part of Title 30, chapter 16, and the provisions of Title 30, chapter 16, apply to [section 4].

Section 8. **Effective date.** [This act] is effective on passage and approval.