

1 AN ACT relating to business regulation.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 14.250 is amended to read as follows:

4 (1) The Secretary of State **shall serve as the chief business official, and in**
5 **consultation with other state agencies,** ~~Finance and Administration Cabinet, the~~
6 ~~Cabinet for Economic Development, and the Commonwealth Office of~~
7 ~~Technology~~ shall **develop, operate, and maintain the Kentucky One-Stop**
8 **Business Portal which** ~~jointly establish a one-stop electronic business portal that~~
9 shall serve as a single, unified entry point for business owners to access and
10 complete initial and ongoing state services and requirements in relation to the
11 creation or ongoing operation of a business located in the Commonwealth of
12 Kentucky~~. The agencies identified in this subsection shall coordinate, manage, and~~
13 ~~implement the portal based on the results of an assessment conducted by the One-~~
14 ~~Stop Business Portal Advisory Committee under subsection (3) of this section].~~

15 (2) **No later than January 1, 2025:**

16 **(a) The Secretary of State shall establish an updated framework and**
17 **information exchange process for the Kentucky One-Stop Business Portal,**
18 **including uniform policies and procedures in order to ensure coordination**
19 **between government agencies; and**

20 **(b) The Commonwealth Office of Technology shall redirect web traffic on the**
21 **website for the Secretary of State, and shall cooperate with the Secretary of**
22 **State for the transfer of all intangible property currently in use by the**
23 **Kentucky One-Stop Business Portal, including but not limited to the One**
24 **Stop Business Portal uniform resource locator, the application**
25 **programming interface, the web hosting infrastructure, and data to the**
26 **Secretary of State**~~[The One Stop Business Portal Advisory Committee is~~
27 ~~hereby established to provide guidance in the creation and implementation of~~

1 ~~the one-stop business portal. The committee shall consist of the Secretary of~~
2 ~~State, the secretary of the Governor's Executive Cabinet, the secretary of the~~
3 ~~Economic Development Cabinet or his or her designee, the secretary of the~~
4 ~~Finance and Administration Cabinet or his or her designee, the secretary of~~
5 ~~the Education and Labor Cabinet or his or her designee, the secretary of the~~
6 ~~Public Protection Cabinet or his or her designee, the secretary of the~~
7 ~~Transportation Cabinet or his or her designee, the secretary of the Tourism,~~
8 ~~Arts and Heritage Cabinet or his or her designee, and the secretary of the~~
9 ~~Energy and Environment Cabinet or his or her designee. The Governor may~~
10 ~~appoint other members to the committee at his or her discretion. The~~
11 ~~committee shall be co-chaired by the Secretary of State and the secretary of~~
12 ~~the Governor's Executive Cabinet].~~

- 13 (3) **No later than January 1, 2026, the Kentucky One-Stop Business Portal shall be**
14 **available for public use and may include the information and capabilities**
15 **described by subsections (4) to (9) of this section**~~[The One-Stop Business Portal~~
16 ~~Advisory Committee shall prepare an assessment detailing recommendations for the~~
17 ~~creation, ongoing operation, and management of the one-stop business portal, to be~~
18 ~~presented to the Governor, the Secretary of State, and the Legislative Research~~
19 ~~Commission by December 31, 2011. This assessment shall include the following:~~
20 ~~(a) An estimate of the costs for full implementation of the portal, including those~~
21 ~~associated with technology, maintenance, sharing agency data, information~~
22 ~~security, and other start-up costs;~~
23 ~~(b) An estimate of the costs of establishing and maintaining a call center staffed~~
24 ~~with persons trained to answer questions and help businesses obtain~~
25 ~~information and services, along with a recommendation as to where the call~~
26 ~~center should be located and the number of staff necessary to operate it;~~
27 ~~(c) Recommendations on the location, design, and functionality of the portal;~~

- 1 ~~(d) Recommendations as to the roles of the state agencies identified in subsection~~
2 ~~(1) of this section regarding the day-to-day operational management of the~~
3 ~~portal;~~
- 4 ~~(e) Recommendations on the time line for developing and testing the portal;~~
- 5 ~~(f) Identification of any statutory or regulatory changes that need to be made to~~
6 ~~existing law to effectuate the portal's functionality;~~
- 7 ~~(g) Identification of other state agencies that possess business-related functions~~
8 ~~and content so that those functions can be added to the portal;~~
- 9 ~~(h) Identification of any impediments posed by federal law and recommended~~
10 ~~ways to address the impediment;~~
- 11 ~~(i) A comprehensive analysis of the processes of all state agencies, with a view~~
12 ~~toward streamlining and reducing the paperwork necessary for businesses to~~
13 ~~interact with each agency; and~~
- 14 ~~(j) Recommendations on the scope of services to be provided by the portal. At a~~
15 ~~minimum, services shall include:~~
- 16 ~~1. Application and renewal of business-related licenses and fees incident to~~
17 ~~the start-up and operation of a business;~~
- 18 ~~2. Electronic payment of taxes and related costs imposed by state law~~
19 ~~incident to the operation of a business;~~
- 20 ~~3. Filing of documents and papers imposed by state law associated with the~~
21 ~~operation of a business; and~~
- 22 ~~4. Creation of individual electronic accounts for each business which~~
23 ~~allows the business to monitor its filings, payments, and other business-~~
24 ~~compliance activities].~~
- 25 (4) The Kentucky One-Stop Business Portal [~~Advisory Committee~~] shall provide a
26 single point of entry for conducting interactions with state agencies, and may
27 facilitate or provide the capability to:

- 1 (a) Access consolidated records concerning notices, communications, and
2 calendar requirements from all government agencies integrated with the
3 portal;~~[Ensure that the portal has a Web site and the ability to process new~~
4 ~~business registrations as handled by the Secretary of State's Office, and will~~
5 ~~be in a testing phase for the Department of Revenue's tax registration~~
6 ~~application by December 31, 2012; and]~~
- 7 (b) Identify and notify registered businesses of new compliance standards
8 relevant to each particular business. State agencies shall use the Kentucky
9 One-Stop Business Portal to promptly notify relevant businesses of
10 regulatory changes;~~[Ensure that subsequent and additional online business~~
11 ~~applications maintained by the Commonwealth shall be evaluated and~~
12 ~~prioritized]~~
- 13 (c) Engage with interactive tools designed to gauge preparedness to start a
14 business, aid in understanding the process of creating a business plan,
15 assist in determining the best structure for a business, and search for
16 licenses and permits based on a business type;
- 17 (d) Complete and access information, forms, and requirements related to
18 starting a business, including guidance on how to determine a name and
19 structure, register a business, receive tax numbers, discover insurance
20 requirements, find licenses and permits, understand employer
21 responsibilities, and identify administrative regulations for the business;
22 and
- 23 (e) Obtain information related to operating a business, including but not
24 limited to federal, state, and local tax information, insurance policies,
25 employer responsibilities, professional and environmental permits and
26 licenses, guidance on annual reporting, current administrative regulations,
27 business counseling, and assistance with retirement, ownership transfer,

1 and dissolution.

2 (5) The Secretary of State may establish, and update as necessary, the following
3 business registration features on the Kentucky One-Stop Business Portal:

4 (a) A flexible identification management system for the portal;

5 (b) Unemployment insurance business registration requirements;

6 (c) The opportunity to register as a health care facility and child care provider,
7 and a description of the certificate of need process;

8 (d) Kentucky vendor services registration for all of the Commonwealth's
9 procurement services;

10 (e) Notifications on local government business registration, occupational safety
11 and health requirements, and wage and hour requirements; and

12 (f) The ability to make electronic payments.

13 (6) The Secretary of State may automate and integrate, and update as necessary, the
14 following capabilities of the Kentucky One-Stop Business Portal:

15 (a) All interactions a business may have with the unemployment insurance
16 system; and

17 (b) All interactions a business may have with the Department of Workers'
18 Claims.

19 (7) The Secretary of State may implement, and update as necessary, the following
20 features on the Kentucky One-Stop Business Portal:

21 (a) An electronic license system for individual professional licenses;

22 (b) A pathway for businesses to apply, renew, and maintain licenses through
23 the Kentucky One-Stop Business Portal;

24 (c) A section for businesses to apply for permits needed to operate their
25 business through the Kentucky One-Stop Business Portal; and

26 (d) Access to materials related to compliance needs including but not limited to
27 certificates, reporting, and maintenance of status.

- 1 (8) The Kentucky One-Stop Business Portal shall streamline licensing and
2 regulatory requirements, and accommodate the needs of government agencies
3 through the integration of licensing and regulatory systems, into the notice and
4 messaging communications of the portal by January 1, 2026.
- 5 (9) The Secretary of State may establish additional features and capabilities of the
6 Kentucky One-Stop Business Portal as needed in order to keep the portal
7 functioning and current.
- 8 (10) The Secretary of State shall establish the standard use of North American
9 Industry Classification System or similar system of universal industry codes in
10 order to identify and match businesses with their regulatory agencies and
11 determine the agencies that will primarily regulate or tax them.
- 12 (11) No later than January 1, 2026, all executive branch agencies, other than the
13 Department of Revenue, shall integrate their licensing and regulatory compliance
14 with the Kentucky One-Stop Business Portal.
- 15 (12) The Secretary of State shall establish a consolidated call center to be staffed by
16 trained and knowledgeable persons who are able to provide business information
17 and services related to the Kentucky One-Stop Business Portal.
- 18 (13) The Secretary of State shall submit a report to the Legislative Research
19 Commission for referral to Interim Joint Committee on Licensing, Occupations,
20 and Administrative Regulations on the progress of the Kentucky One-Stop
21 Business Portal on or before June 30, 2026, and each successive year.
- 22 (14) The Secretary of State may promulgate administrative regulations as necessary,
23 in accordance with KRS Chapter 13A, to implement the provisions of this section,
24 and may perform additional technical updates as necessary to maintain the
25 operation of the Kentucky One-Stop Business Portal.

26 ➔Section 2. KRS 14.255 is amended to read as follows:

- 27 (1) To help facilitate data sharing between state agencies and as part of the ongoing

1 establishment of the Kentucky^[a] One-Stop~~[electronic]~~ Business Portal, the
 2 Secretary of State~~[, the Finance and Administration Cabinet, the Cabinet for~~
 3 ~~Economic Development, the Education and Labor Cabinet, and the Commonwealth~~
 4 ~~Office of Technology]~~ shall~~[jointly]~~ establish a unique Commonwealth business
 5 identification number which can be used in filings and services provided by the
 6 ~~[business]~~ portal.

7 **(2) The Secretary of State shall assign each business entity registered through the**
 8 **Kentucky One-Stop Business Portal a unique Commonwealth business**
 9 **identification number.**

10 **(3)~~(2)~~ By January 1, 2026, state agencies integrated with the Kentucky One-Stop**
 11 **Business Portal shall use the Commonwealth business identification number**~~[By~~

12 ~~December 31, 2013, the agencies identified in subsection (1) of this section shall:~~

13 ~~(a) Recommend a timeline for implementing the new business identification~~
 14 ~~numbering system for new business filings; and~~

15 ~~(b) Establish a five (5) year timeline for all state agencies to utilize the~~
 16 ~~Commonwealth business identification number] to facilitate data sharing and~~
 17 ~~continued growth of services provided by the~~~~[business]~~ portal.

18 ➔Section 3. KRS 11.202 is amended to read as follows:

19 (1) The duties of the Commission on Small Business Innovation and Advocacy shall
 20 include but not be limited to:

21 (a) Coordinate and promote the awareness of the Federal Small Business
 22 Regulatory Enforcement Fairness Act of 1996, and its subsequent
 23 amendments within the small business community of the Commonwealth;

24 (b) Develop a process by which the small business community is made aware of
 25 state legislation and administrative regulations affecting it, both prior to its
 26 enactment and during its implementation;

27 (c) Advocate for the small business sectors when state legislation and

1 administrative regulations are overly burdensome, costly, or harmful to the
2 success and growth of the sector;

3 (d) Collect information and research those public policies and government
4 practices which are helpful or detrimental to the success and growth of the
5 small business community; and

6 (e) Review administrative regulations that may impact small business. The
7 commission may seek input from other agencies, organizations, or interested
8 parties. In acting as an advocate for small business, the commission may
9 submit a written report to the promulgating administrative body to be
10 considered as comments received during the public comment period required
11 by KRS 13A.270(1)(c). The report may specify the commission's findings
12 regarding the administrative regulation, including an identification and
13 estimate of the number of small businesses subject to the administrative
14 regulation, the projected reporting, recordkeeping, and other administrative
15 costs required for compliance with the administrative regulation, and any
16 suggestions the commission has for reducing the regulatory burden on small
17 businesses through the use of tiering or exemptions, in accordance with KRS
18 13A.210. A copy of the report shall be filed with the regulations compiler of
19 the Legislative Research Commission.

20 (2) By September 1 of each year, the commission shall submit a report to the Governor,
21 and the *Legislative Research Commission*~~[Interim Joint Committee on Economic~~
22 ~~Development and Workforce Investment, and the Interim Joint Committee on~~
23 ~~Tourism, Small Business, and Information Technology]~~ detailing its work in the
24 prior fiscal year, including but not limited to the following:

25 (a) Activities and achievements of the commission in accomplishing its purposes
26 and duties;

27 (b) Findings of the commission related to its collection of information and

1 research on public policies and government practices affecting small
2 businesses, including specific legislation and administrative regulations that
3 are helpful or detrimental to the success of small businesses; and

4 (c) Specific recommendations of ways state government could better promote the
5 economic development efforts of small businesses in the Commonwealth.

6 (3) Beginning December 1, 2012, and on every December 1 thereafter, the commission
7 shall submit an annual report to the Secretary of State and the Legislative Research
8 Commission setting forth an analysis of how the Kentucky One-Stop~~[electronic]~~
9 Business Portal established in KRS 14.250 may be improved to make ~~it~~^{it}~~the~~
10 ~~business portal~~ more user friendly for businesses.

11 ➔Section 4. KRS 147A.032 is amended to read as follows:

12 (1) As used in this section, "department" means the Department for Local Government.

13 (2) The department may, to the extent resources are available, establish an industrial
14 revenue bond information clearinghouse to serve as a central statewide point of
15 contact for the dissemination of information and guidance relating to the issuance
16 and use of industrial revenue bonds by units of local government.

17 (3) The clearinghouse shall collect and disseminate information and guidance that may
18 be adopted by units of local government seeking to issue industrial revenue bonds,
19 including:

20 (a) Identification of best practices;

21 (b) Model ordinances and resolutions;

22 (c) Proper issuance procedures;

23 (d) Examples of possible uses of industrial revenue bond proceeds; and

24 (e) Other model guidelines.

25 (4) Information provided through the clearinghouse shall be published on a Web site
26 that is accessible to the general public to assist private sector businesses, nonprofit
27 organizations, and others that may benefit from the issuance of industrial revenue

1 bonds.

2 (5) The Finance and Administration Cabinet, the Cabinet for Economic Development,
3 and the Energy and Environment Cabinet shall assist the department, as needed, in
4 the development of the clearinghouse, to ensure the most complete, accurate, and
5 current information relating to the issuance and possible uses of industrial revenue
6 bonds is available on the Web site.

7 (6) After the initial development of the clearinghouse is complete, and for as long as it
8 is available, a link to the Web site shall be made available on the Kentucky One-
9 Stop Business Portal established in KRS 14.250.