

1 State of Arkansas As Engrossed: H3/25/15 S3/27/15

2 90th General Assembly **A Bill**

3 Regular Session, 2015 HOUSE BILL 1844

4

5 By: Representatives Gillam, E. Armstrong, Dotson, Eubanks, Gossage, M.J. Gray, S. Meeks

6 By: Senator E. Williams

7

8 **For An Act To Be Entitled**

9 AN ACT TO ESTABLISH A STATE BUSINESS PORTAL WITHIN
10 THE OFFICE OF THE SECRETARY OF STATE; TO PROMOTE
11 EFFICIENT INTERACTIONS BETWEEN BUSINESS AND STATE
12 GOVERNMENT; AND FOR OTHER PURPOSES.

13

14

15 **Subtitle**

16 TO ESTABLISH A STATE BUSINESS PORTAL
17 WITHIN THE OFFICE OF THE SECRETARY OF
18 STATE; AND TO PROMOTE EFFICIENT
19 INTERACTIONS BETWEEN BUSINESS AND STATE
20 GOVERNMENT.

21

22

23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

24

25 *SECTION 1. DO NOT CODIFY. Legislative findings.*

26 *The General Assembly finds that:*

27 *(1) Historically, a business has been required to submit various*
28 *applications to numerous state and local governmental agencies to obtain*
29 *necessary licenses, permits, and approvals to conduct business in this state;*

30 *(2) State and local governmental agencies do not use a uniform*
31 *application system to authorize or issue a license, permit, or approval to*
32 *conduct business;*

33 *(3) A business may submit the same basic information through the*
34 *use of numerous forms, formats, and multiple websites as required by those*
35 *separate agencies;*

36 *(4) Advances in information technology should enable*



1 governmental agencies to make the exchange of information from business to
2 government, from government to business, and across governmental agencies
3 more efficient and effective for the parties;

4 (5) States that make required transactions among businesses and
5 governmental agencies faster, easier, and cheaper than compared to other
6 states will provide a competitive advantage for businesses and encourage
7 economic development within the state; and

8 (6) The State of Arkansas should strive to become a national
9 leader for online interaction between business and government through the
10 establishment of a state business portal within the office of the Secretary
11 of State to provide a single, secure portal to transact business with the
12 intent to improve efficiency, eliminate redundancy, streamline the
13 establishment of businesses, improve accountability, and enhance economic
14 development within this state.

15
16 SECTION 2. Arkansas Code Title 4, Chapter 27, is amended to add an
17 additional subchapter to read as follows:

18
19 Subchapter 19 – Arkansas Business Portal Act

20
21 4-27-1901. Title.

22 This subchapter shall be known and may be cited as the “Arkansas
23 Business Portal Act”.

24
25 4-27-1902. Purpose.

26 It is the purpose of this subchapter to provide access for a state
27 business portal to facilitate interaction among businesses and governmental
28 agencies located in this state by allowing businesses to conduct necessary
29 transactions with various governmental agencies through use of a state
30 business portal.

31
32 4-27-1903. Definitions.

33 As used in this subchapter:

34 (1) “Business” means a person or entity that:

35 (A) Performs a service or engages in a trade for profit
36 and is required by the Internal Revenue Service to file a:

1 (i) Schedule C, Form 1040, Profit or Loss From
2 Business, or its equivalent or successor form;

3 (ii) Schedule E, Form 1040, Supplemental Income and
4 Loss, or its equivalent or successor form; or

5 (iii) Schedule F, Form 1040, Profit or Loss From
6 Farming, or its equivalent or successor form, for that activity; or

7 (B) Is organized as a business under this chapter,
8 including an entity that is required to file an annual report with the
9 Secretary of State, whether or not the entity performs a service or engages
10 in a trade or business for profit;

11 (2) "State business license" means any license issued to a
12 business in this state; and

13 (3) "Wages" means any remuneration paid for personal services,
14 including commissions and bonuses, and payable in any medium other than cash.

15
16 4-27-1904. Administration – Duties of the Secretary of State.

17 The Secretary of State shall:

18 (1) Administer this subchapter;

19 (2) Establish, through cooperative efforts, the standards and
20 requirements necessary to design, build, and implement the state business
21 portal;

22 (3) Establish the standards and requirements necessary for a
23 state or local agency to participate in the state business portal;

24 (4) Authorize a state or local agency to participate in the
25 state business portal if the Secretary of State determines that the agency
26 meets the standards and requirements necessary to participate;

27 (5) Determine the appropriate requirements to be used by
28 businesses and governmental agencies conducting transactions through use of
29 the state business portal;

30 (6) Adopt procedures to administer this subchapter; and

31 (7)(A) Establish a unique identifier for each business entity
32 registered to do business in this state.

33 (B) The unique identifier shall be:

34 (i) Alphabetical, alphanumeric, or numeric as
35 determined by the Secretary of State;

36 (ii) Unique to each registered business entity;

1 (iii) The statewide business identifier for each
2 business entity; and

3 (iv) Recognized by all state, county, city, and
4 local governments as the unique business identifier for each business entity
5 registered in this state.

6
7 4-27-1905. Funding.

8 (a) The Secretary of State shall use cash funds of the office of the
9 Secretary of State to administer this subchapter.

10 (b) The Secretary of State may use cash funds to:

11 (1) Enter into contracts or agreements with private or public
12 entities to assist the Secretary of State in establishing, operating, or
13 maintaining the state business portal; and

14 (2) Apply for and accept a gift, donation, bequest, grant, or
15 other source of money to carry out this subchapter.

16
17 4-27-1906. Applications for licenses – Initial – Renewal.

18 (a) A business may submit an application to the Secretary of State on
19 a form prescribed by the Secretary of State for a state business license
20 under this subchapter.

21 (b)(1) A business shall renew the state business license annually as
22 long as the business is operating within this state.

23 (2) A business shall apply for renewal of a license issued under
24 this subchapter by submitting an application for renewal on the form
25 prescribed by the Secretary of State.

26 (c) An application for a state business license under this subchapter
27 shall:

28 (1) Be made using an online form as determined by the Secretary
29 of State;

30 (2)(A) State the name under which the applicant transacts or
31 intends to transact business.

32 (B) If the applicant is an entity organized under this
33 chapter and on file with the Secretary of State, the applicant shall state
34 the exact name on file with the Secretary of State, including the entity
35 number as assigned by the Secretary of State, if known, and all the
36 applicant's places of business;

1 (3) Be accompanied by a fee in the amount of one hundred fifty
2 dollars (\$150); and

3 (4) Include any other information that the Secretary of State
4 deems necessary.

5 (d) If an applicant is an entity organized under this chapter and on
6 file with the Secretary of State and the applicant does not have an
7 established principal place of business located within the state, the address
8 of the applicant's registered agent is the location of the applicant's
9 principal place of business within this state.

10 (e) The application shall be signed by:

11 (1) The owner of a business that is owned by a natural person;

12 (2) A member or partner of an association or partnership;

13 (3) A general partner of a limited partnership;

14 (4) A managing partner of a limited-liability partnership;

15 (5) A manager or managing member of a limited-liability company;

16 or

17 (6) An officer of a corporation or an individual specifically
18 authorized by the corporation to sign the application.

19 (f) If the application for a state business license is defective or
20 incomplete, the Secretary of State may return the incomplete application to
21 the applicant to complete or to submit proper payment.

22 (g) A state business license under this subchapter does not replace or
23 substitute an authorization or license required to conduct business from a
24 local jurisdiction where the business activity is conducted.

25 (h) A person may apply for a license under this subchapter if a
26 business for which a person is responsible:

27 (1) Is organized under this chapter;

28 (2) Has an office or other base of operations within this state;

29 (3) Has a registered agent that is located within this state;

30 and

31 (4) Pays wages or other remuneration to an individual who
32 performs any duties associated with the business within this state.

33
34 4-27-1907. Rules.

35 The Secretary of State shall adopt rules to implement and administer
36 this subchapter.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36

4-27-1908. Noncompliance.

(a) If a person that holds a state business license fails to comply with this subchapter or any rule of the Secretary of State adopted under this subchapter, the Secretary of State may revoke or suspend the state business license of the person as determined by the Secretary of State.

(b) If a state business license is suspended or revoked, the Secretary of State shall provide written notice of the action to the licensee.

(c) The Secretary of State shall not issue a new license to the former holder of a revoked state business license unless the Secretary of State finds that the applicant is complying with this subchapter and the rules of the Secretary of State adopted under this subchapter.

/s/Gillam