

Representative Bruce R. Cutler proposes the following substitute bill:

SINGLE SIGN-ON DATABASE AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Bruce R. Cutler

Senate Sponsor: Curtis S. Bramble

LONG TITLE

General Description:

This bill modifies provisions relating to the single sign-on database.

Highlighted Provisions:

This bill:

- ▶ requires the Department of Commerce to include in its fees a single sign-on fee;
- ▶ creates the Single Sign-On Expendable Special Revenue Fund into which all single sign-on fees are to be deposited;
- ▶ authorizes the use of money in the Single Sign-On Expendable Special Revenue Fund to pay for the design, creation, and operation of the single sign-on web portal;
- ▶ modifies reporting requirements applicable to the Department of Technology Services;
- ▶ requires the Department of Commerce to report on Single Sign-On Expendable Special Revenue Fund revenues and expenditures to the Public Utilities, Energy, and Technology Interim Committee; and
- ▶ requires the Public Utilities, Energy, and Technology Interim Committee to review the single sign-on fee.

Money Appropriated in this Bill:

None



26 **Other Special Clauses:**

27 This bill provides a special effective date.

28 **Utah Code Sections Affected:**

29 AMENDS:

30 **13-1-2**, as last amended by Laws of Utah 2017, Chapter 139

31 **63F-3-103**, as enacted by Laws of Utah 2016, Chapter 259

32 **63F-3-104**, as enacted by Laws of Utah 2016, Chapter 259

34 *Be it enacted by the Legislature of the state of Utah:*

35 Section 1. Section **13-1-2** is amended to read:

36 **13-1-2. Creation and functions of department -- Divisions created -- Fees --**

37 **Commerce Service Account.**

38 (1) (a) There is created the Department of Commerce.

39 (b) The department shall execute and administer state laws regulating business
40 activities and occupations affecting the public interest.

41 (2) Within the department the following divisions are created:

42 (a) the Division of Occupational and Professional Licensing;

43 (b) the Division of Real Estate;

44 (c) the Division of Securities;

45 (d) the Division of Public Utilities;

46 (e) the Division of Consumer Protection; and

47 (f) the Division of Corporations and Commercial Code.

48 (3) (a) Unless otherwise provided by statute, the department may adopt a schedule of
49 fees assessed for services provided by the department by following the procedures and
50 requirements of Section **63J-1-504**.

51 (b) The department shall submit each fee established in this manner to the Legislature
52 for its approval as part of the department's annual appropriations request.

53 (c) (i) There is created a restricted account within the General Fund known as the
54 "Commerce Service Account."

55 (ii) The restricted account created in Subsection (3)(c)(i) consists of fees collected by
56 each division and by the department.

57 (iii) The undesignated account balance may not exceed \$1,000,000 at the end of each
58 fiscal year.

59 (iv) At the end of each fiscal year, the director of the Division of Finance shall transfer
60 into the General Fund any undesignated funds in the account that exceed the amount necessary
61 to maintain the undesignated account balance at \$1,000,000.

62 (d) The department may not charge or collect a fee or expend money from the
63 restricted account without approval by the Legislature.

64 (4) (a) As used in this Subsection (4):

65 (i) "Business entity" means a sole proprietorship, partnership, limited partnership,
66 limited liability company, corporation, or other entity or association used to carry on a business
67 for profit.

68 (ii) "Fund" means the Single Sign-On Expendable Special Revenue Fund, created in
69 Subsection (4)(c).

70 (iii) "Renewal fee" means a fee that the Division of Corporations and Commercial
71 Code, established in Section 13-1a-1, is authorized or required to charge a business entity in
72 connection with the business entity's periodic renewal of its status with the Division of
73 Corporations and Commercial Code.

74 (iv) "Single sign-on fee" means a fee described in Subsection (4)(b) to pay for the
75 establishment and maintenance of the single sign-on web portal.

76 (v) "Single sign-on web portal" means the web portal described in Subsection
77 63F-3-103(2).

78 (b) (i) The schedule of fees adopted by the department under Subsection (3) shall
79 include a single sign-on fee, not to exceed \$5, as part of a renewal fee.

80 (ii) The department shall deposit all single sign-on fee revenue into the fund.

81 (c) (i) There is created the Single Sign-On Expendable Special Revenue Fund.

82 (ii) The fund consists of:

83 (A) money that the department collects from the single sign-on fee; and

84 (B) money that the Legislature appropriates to the fund.

85 (d) Money in the fund is nonlapsing.

86 (e) The department shall use the money in the fund to pay for costs:

87 (i) to design, create, operate, and maintain the single sign-on web portal; and

88 (ii) incurred by:
89 (A) the Department of Technology Services, created in Section 63F-1-103; or
90 (B) a third-party vendor working under a contract with the Department of Technology
91 Services.

92 (f) The department shall report:
93 (i) on fund revenues and expenditures;
94 (ii) to the Public Utilities, Energy, and Technology Interim Committee of the
95 Legislature; and

96 (iii) annually and at any other time requested by the committee.

97 Section 2. Section 63F-3-103 is amended to read:

98 **63F-3-103. Single sign-on database -- Creation.**

99 (1) The department shall, in consultation with the entities described in Subsection (4),
100 design and create a prototype of a single database, and associated data entry screens, that stores
101 business data agreed upon by the entities described in Subsection (4) that is:

- 102 (a) secure;
- 103 (b) centralized; and
- 104 (c) interconnected.

105 (2) The department shall create a web portal that allows a person doing business in the
106 state to access, at a single point of entry, all relevant state-collected business data about the
107 person, including information related to:

- 108 (a) business registration;
- 109 (b) workers' compensation;
- 110 (c) tax liability and payment; and
- 111 (d) other information collected by the state that the department determines is relevant

112 to a person doing business in the state.

113 (3) The department shall develop the business database and the single sign-on web
114 portal:

- 115 (a) using an open platform that:
 - 116 (i) facilitates participation in the database and web portal by a state entity; and
 - 117 (ii) allows for optional participation by a political subdivision of the state; and
- 118 (b) in a manner that anticipates expanding the database and web portal to include:

119 (i) a database for data collected by the state on an individual; and
120 (ii) a web portal for an individual to access all relevant data collected by the state on
121 the individual.

122 (4) In developing the business database and the single sign-on web portal, the
123 department shall consult with:

124 (a) the Department of Commerce;

125 (b) the State Tax Commission;

126 (c) the Labor Commission;

127 (d) the Department of Workforce Services;

128 (e) the Governor's Office of Management and Budget;

129 (f) the Utah League of Cities and Towns;

130 (g) the Utah Association of Counties; and

131 (h) the business community that is likely to use the business database and single
132 sign-on web portal.

133 (5) The department shall ensure that the single sign-on web portal is fully operational
134 no later than May 1, 2021.

135 Section 3. Section 63F-3-104 is amended to read:

136 **63F-3-104. Report.**

137 (1) The department shall report to the Public Utilities, Energy, and Technology Interim
138 Committee:

139 [(H)] (a) no later than November 30, 2016, with an initial design and prototype of the
140 business database and the single sign-on web portal, together with a minimum two-year plan,
141 including projected cost, for the initial implementation phase of the project; and

142 [(2)] (b) before November 30 of each year beginning in 2017 [~~until the development of~~
143 ~~the business database and the single sign-on web portal is complete,~~];

144 (i) regarding the progress the department has made in developing the business database
145 and the single sign-on web portal[-] and, once that development is complete, regarding the
146 operation of the single sign-on web portal; and

147 (ii) whether the department recommends any change to the single sign-on fee being
148 charged under Section 13-1-2.

149 (2) The Public Utilities, Energy, and Technology Interim Committee shall annually:

- 150 (a) review the single sign-on fee being charged under Section [13-1-2](#);
- 151 (b) determine whether the revenue from the single sign-on fee is adequate for designing
- 152 and developing and then, once developed, operating and maintaining the single sign-on web
- 153 portal; and
- 154 (c) make any recommendation to the Legislature that the committee considers
- 155 appropriate concerning the single sign-on fee.

156 Section 4. **Effective date.**

157 If approved by two-thirds of all the members elected to each house, this bill takes effect

158 upon approval by the governor, or the day following the constitutional time limit of Utah

159 Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto,

160 the date of veto override.