

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, operation, and maintenance 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:



26 None

27 **Other Special Clauses:**

28 This bill provides a special effective date.

29 **Utah Code Sections Affected:**

30 AMENDS:

31 **13-1-2**, as last amended by Laws of Utah 2017, Chapter 139

32 **63F-3-103**, as enacted by Laws of Utah 2016, Chapter 259

33 **63F-3-104**, as enacted by Laws of Utah 2016, Chapter 259



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

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

37 **13-1-2. Creation and functions of department -- Divisions created -- Fees --**

38 **Commerce Service Account.**

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

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

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

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

44 (b) the Division of Real Estate;

45 (c) the Division of Securities;

46 (d) the Division of Public Utilities;

47 (e) the Division of Consumer Protection; and

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

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

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

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

56 (ii) The restricted account created in Subsection (3)(c)(i) consists of fees collected by

57 each division and by the department.

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

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

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

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

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

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

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

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

77 (v) "Single sign-on web portal" means the web portal described in Subsection
78 63F-3-103(2).

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

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

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

83 (ii) The fund consists of:

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

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

86 (d) Money in the fund is nonlapsing.

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

- 88 (i) to design, create, operate, and maintain the single sign-on web portal; and
- 89 (ii) incurred by:
- 90 (A) the Department of Technology Services, created in Section [63F-1-103](#); or
- 91 (B) a third-party vendor working under a contract with the Department of Technology
- 92 Services.

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

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

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

99 **63F-3-103. Single sign-on database -- Creation.**

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

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

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

- 109 (a) business registration;
- 110 (b) workers' compensation;
- 111 (c) tax liability and payment; and
- 112 (d) other information collected by the state that the department determines is relevant
113 to a person doing business in the state.

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

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

119 (b) in a manner that anticipates expanding the database and web portal to include:
120 (i) a database for data collected by the state on an individual; and
121 (ii) a web portal for an individual to access all relevant data collected by the state on
122 the individual.

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

- 125 (a) the Department of Commerce;
126 (b) the State Tax Commission;
127 (c) the Labor Commission;
128 (d) the Department of Workforce Services;
129 (e) the Governor's Office of Management and Budget;
130 (f) the Utah League of Cities and Towns;
131 (g) the Utah Association of Counties; and
132 (h) the business community that is likely to use the business database and single
133 sign-on web portal.

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

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

137 **63F-3-104. Report.**

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

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

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

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

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

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

157 Section 4. **Effective date.**

158 If approved by two-thirds of all the members elected to each house, this bill takes effect
159 upon approval by the governor, or the day following the constitutional time limit of Utah
160 Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto,
161 the date of veto override.