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**HOUSE BILL NO. 262**

Offered January 13, 2010

Prefiled January 11, 2010

*A BILL to amend and reenact § 2.2-904.1 of the Code of Virginia, relating to one-stop small business permitting program; fees for veterans.*

Patrons—Sherwood, Greason, Anderson, Athey, Cole, Crockett-Stark, Gilbert, Iaquinto, James, Keam, Knight, Landes, Lingamfelter and Villanueva

Referred to Committee on General Laws

**Be it enacted by the General Assembly of Virginia:****1. That § 2.2-904.1 of the Code of Virginia is amended and reenacted as follows:**

§ 2.2-904.1. One-stop small business permitting program.

A. As used in this section:

"Business Permitting Center" or "Center" means the business registration and permitting center established by this section and located in and under the administrative control of the Department.

"Comprehensive application" means a document incorporating pertinent data from existing applications for permits covered under this section.

"Comprehensive permit" means the single document designed for public display issued by the Business Permitting Center that certifies state agency permit approval and that incorporates the endorsements for individual permits included in the comprehensive permitting program.

"Comprehensive permitting program" or "Program" means the mechanism by which comprehensive permits are issued and renewed, permit and regulatory information is disseminated, and account data are exchanged by state agencies.

"Department" means the Department of Business Assistance or any division of the Department to which the Director has delegated or assigned the duties and responsibilities of administering the comprehensive permitting program.

"Permit" means the whole or part of any state agency permit, license, certificate, approval, registration, charter, or any form or permission required by law, to engage in activity associated with or involving the establishment of a small business in the Commonwealth.

"Permit information packet" means a collection of information about permitting requirements and application procedures custom assembled for each request.

"Regulatory" means all permitting and other governmental or statutory requirements establishing a small business or professional activities associated with establishing a small business.

"Regulatory agency" means any state agency, board, commission, or division that regulates one or more professions, occupations, industries, businesses, or activities.

"Renewal application" means a document used to collect pertinent data for renewal of permits covered under this section.

"Small business" means an independently owned and operated business that, together with affiliates, has 250 or fewer employees or average annual gross receipts of \$10 million or less averaged over the previous three years.

"Veteran" means an individual who has served in the active military, naval, or air service and who was discharged or released therefrom under conditions other than dishonorable.

B. There is created within the Department the comprehensive permitting program (the Program). The Program is established to serve as a single access point to aid entrepreneurs in filling out the various permit applications associated with establishing a small business in Virginia. The Program in no way supersedes or supplants any regulatory authority granted to any state agency with permits covered by this section. As part of the Program, the Department shall coordinate with the regulatory agency, and the regulatory agency shall determine consistent with applicable law, what types of permits are appropriate for inclusion in the Program as well as the rules governing the submission of and payment for those permits. The website of the Department shall provide access to information regarding the Program. The Department shall have the power and duty to:

1. Create a comprehensive application that will allow an entrepreneur, or an agent thereof, seeking to establish a small business, to create accounts that will allow them to acquire the appropriate permits required in the Commonwealth. The comprehensive application shall:

a. Allow the business owner to choose a business type and to provide common information, such as name, address, and telephone number, on the front page, eliminating the need to repeatedly provide common information on each permit application;

58 b. Allow the business owner to preview and answer questions related to the operation of the  
59 business;

60 c. Provide business owners with a customized to-do agency checklist, which checklist shall provide  
61 the permit applications pertinent to each business type and provide the rules, regulations, and general  
62 laws applicable to each business type as well as local licensing information;

63 d. Allow the business owner to submit permit applications by electronic means as authorized by  
64 § 59.1-496 and to affix thereto his electronic signature as defined in § 59.1-480;

65 e. Allow the business owner to check on the status of applications online and to receive information  
66 from the permitting agencies electronically; and

67 f. Allow a business owner to submit electronic payment for application or permitting fees for  
68 applications that have been accepted by the permitting agency, *or to advise when a business owner is*  
69 *exempt from such fees due to his status as a veteran.*

70 2. Develop and administer a computerized system program capable of storing, retrieving, and  
71 exchanging permit information, while protecting the confidentiality of information submitted to the  
72 Department to the extent allowable by law. Information submitted to the Department shall be subject to  
73 the provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.) as the same would apply  
74 were the information submitted directly to the Department or to any permitting agency.

75 3. Issue and renew comprehensive permits in an efficient manner.

76 4. Identify the types of permits appropriate for inclusion in the Program. The Department shall  
77 coordinate with the regulatory agency, and the regulatory agency shall determine consistent with  
78 applicable law, what types of permits are appropriate for inclusion in the Program.

79 5. Incorporate permits into the Program.

80 6. Do all acts necessary or convenient to carry out the purposes of this chapter.

81 C. The Business Permitting Center shall compile information regarding the regulatory programs  
82 associated with each of the permits obtainable under the Program. This information shall include, at a  
83 minimum, a listing of the statutes and administrative rules requiring the permits and pertaining to the  
84 regulatory programs that are directly related to the permit. The Center shall provide information  
85 governed by this section to any person requesting it. Materials used by the Center to describe the  
86 services provided by the Center shall indicate that this information is available upon request.

87 D. Each state agency shall cooperate and provide reasonable assistance to the Department in the  
88 implementation of this section.

89 E. Any person requiring permits that have been incorporated into the Program may submit a  
90 comprehensive application to the Department requesting the issuance of the permits. The comprehensive  
91 application form shall contain in consolidated form information necessary for the issuance of the  
92 permits.

93 F. The applicant, *if not a veteran*, shall include with the application the handling fee established by  
94 the Department. The amount of the handling fee assessed against the applicant shall be set by the  
95 Department at a level necessary to cover the costs of administering the comprehensive permitting  
96 program, *including the cost of application or permitting fees that are payable by the Department on*  
97 *behalf of any applicant who is a veteran, as provided in subsection N.*

98 G. The authority for approving the issuance and renewal of any requested permit that requires an  
99 investigation, inspection, testing, or other judgmental review by the regulatory agency otherwise legally  
100 authorized to issue the permit shall remain with that agency. The Center may issue those permits for  
101 which proper fee payment and a completed application form have been received and for which no  
102 approval action is required by the regulatory agency.

103 H. Upon receipt of the application, and proper fee payment *if the applicant is not a veteran*, for any  
104 permit for which issuance is subject to regulatory agency action under subsection G, the Department  
105 shall immediately notify the regulatory agency with authority to approve the permit issuance or renewal  
106 requested by the applicant. Each regulatory agency shall advise the Department within a reasonable time  
107 after receiving the notice of one of the following:

108 1. That the regulatory agency approves the issuance of the requested permit and will advise the  
109 applicant of any specific conditions required for issuing the permit;

110 2. That the regulatory agency denies the issuance of the permit and gives the applicant reasons for  
111 the denial;

112 3. That the application is pending; or

113 4. That the application is incomplete and further information from or action by the applicant is  
114 necessary.

115 I. The Department shall issue a comprehensive permit endorsed for all the approved permits to the  
116 applicant and advise the applicant of the status of other requested permits. The applicant shall be  
117 responsible for contesting any decision regarding conditions imposed or permits denied through the  
118 normal process established by statute or by the regulatory agency with the authority for approving the  
119 issuance of the permit.

J. Regulatory agencies shall be provided information from the comprehensive application for their permitting and regulatory functions.

K. The Department shall be responsible for directing the applicant to make all payments for applicable fees established by the regulatory agency directly to the proper agency, *except that if the applicant is a veteran the Department shall make all payments for applicable fees established by the regulatory agency directly to the proper agency, on behalf of the applicant as provided in subsection N.*

L. There is hereby created in the state treasury a special nonreverting fund to be known as the Comprehensive Permitting Fund, hereafter referred to as "the Fund." The Fund shall be established on the books of the Comptroller. The Fund shall consist of all moneys collected from the handling fee established by the Department pursuant to subsection F and such other funds as may be appropriated by the General Assembly. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely to administer the Program. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by Director of the Department.

M. Unless otherwise directed by the regulatory agency, the Department shall not issue or renew a comprehensive permit to any person under any of the following circumstances:

1. The person does not have a valid tax registration, if required.
2. The person is a corporation, limited liability company, business trust, limited partnership or registered limited liability partnership that (i) is delinquent in the payment of fees or penalties collected by the State Corporation Commission pursuant to the business entity statutes it administers; (ii) does not exist; or (iii) is not authorized to transact business in the Commonwealth pursuant to one of the business entity statutes administered by the State Corporation Commission.

3. The person has not submitted the sum of all fees and deposits required for the requested individual permit endorsements, any outstanding comprehensive permit delinquency fee, or other fees and penalties to be collected through the comprehensive permitting program.

N. *If the applicant is a veteran establishing a small business:*

1. *The applicant shall be exempt from payment of the handling fee prescribed by subsection F; and*
2. *The Department shall pay, on behalf of the applicant, any application or permit fee described in subdivision B 1 f to the regulatory agency required to assess such fee, which payment by the Department shall be made from the Comprehensive Permitting Fund.*

O. The Department may adopt regulations in accordance with § 2.2-901 as may be necessary to carry out the purposes of this section.