

2008 Innovations Awards Program APPLICATION

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ID # (assigned by CSG): 08-W-15UT

Please provide the following information, adding space as necessary:

State: Utah

Assign Program Category (applicant): Infrastructure and Economic Development (Use list at end of application)

1. Program Name: OneStop Business Registry
2. Administering Agency: Utah.gov
3. Contact Person (Name and Title): Dave Fletcher, State Chief Technology Officer
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7. E-mail Address: dfletcher@utah.gov
8. Web site Address: <http://www.business.utah.gov/registration>
9. Please provide a two-sentence description of the program.

By using the online business registration program OneStop Business Registration (OneStop), Utah citizens are able to register their business with the Utah State Tax Commission, the Utah Labor Commission, the Utah Department of Commerce, the Utah Department of Workforce Services and up to six participating local city governments in one simple-to-use process. After completing the online registration process, they receive all of the necessary licenses and account numbers for their business, or city forms to present to city governments to finalize registration.

10. How long has this program been operational (month and year)? Note: the program must be between 9 months and 5 years old on March 1, 2008 to be considered.

OneStop Business Registration was originally launched in August 2003, since that time many enhancements have been made to simplify the process further and to add additional participating city governments.

11. Why was the program created? What problem[s] or issue[s] was it designed to address?

OneStop Business Registration (OneStop) addresses the cumbersome process of registering a business in the State of Utah. Formerly, business owners had to visit each state agency separately and fill out multiple forms, most of which collected the same type of information. On the whole the process could take weeks, or months, and often resulted in incomplete or inconsistent information being submitted to each agency. With the advent of OneStop, the process of registering a business in Utah now takes, at most, a couple of hours. Utah's OneStop streamlines the business registration process by arranging questions logically rather than by agency. Questions are presented within a common set of registration steps and users are asked questions relevant to the type of business they are registering, and all agencies receive the same consistent information.

Furthermore, users can complete the registration process at their own convenience. Each user creates a unique registration account that allows them to log in and out of OneStop as they choose. Should a user need to gather additional information, or consult a lawyer or business partner in order to answer a question, the user can log out, seek advice, then log back in and continue the registration anytime within 120 days of beginning the online process. Additionally, live chat operators are available 24/7 to answer business registration questions while the user is online and working on their registration. Such convenience greatly reduces the amount of time it takes to register a business and the amount of frustration usually associated with such lengthy government processes.

12. Describe the specific activities and operations of the program in chronological order.

OneStop Business Registration, an unprecedented multi-level government application, allows citizens to register a business in Utah with the Internal Revenue Service, the Utah State Tax Commission, the Utah Labor Commission, the Utah Department of Commerce, the Utah Department of Workforce Services, and the cities of Salt Lake City, Sandy City, Logan City, West Jordan City, Ogden City and Provo City without having to go to each agency or city separately. At the end of the online process, users receive:

From The Department of Commerce:

- Business name reservation
- Business registration number
- Electronic filing of Articles of Incorporation or Articles of Organization

From the Department of Workforce Services:

- Unemployment insurance employer number
- Unemployment contribution tax rate
- Unemployment insurance PIN

From the State Tax Commission:

- Employee state income tax withholding number
- Sales and Use Tax Number

From the Utah Labor Commission:

- Information that facilitates obtaining Worker Compensation coverage and verification

From participating cities and counties: (Cities are continually being added)

- Downloadable local forms
- Local contact information

With respect to layout, OneStop follows a “wizard” approach: each page is dynamically generated based on the information supplied by the user within a relatively common set of registration steps. All users progress through the five main areas of business registration (declaring the business entity, naming the business, describing the business and its activities, providing business addresses and locations, defining the management/ownership), but users only answer the questions in each area that pertain to the type of business they are registering.

To view a demo of the system, go to: <https://secure.utah.gov/OneStop-demo/demo/index.html>

13. Why is the program a new and creative approach or method?

Other states offer similar applications, but none of them offer the degree of vertical and horizontal integration that OneStop does. No other state portal enables citizens to simultaneously register a business at the federal, state, and local level. In 2003, OneStop was the first service of its type in the country.

14. What were the program’s start-up costs? (Provide details about specific purchases for this program, staffing needs and other financial expenditures, as well as existing materials, technology and staff already in place.)

While actual initial development was around \$350,000, the State was only charged \$70,000. Because of the nature of the public/private partnership between the third party and the State of Utah, most costs were subsidized.

15. What are the program’s annual operational costs?

All costs to maintain and host the program are absorbed by the third party that initially developed the program. The State of Utah pays no maintenance fees for the program. However, the State does employ several individuals who support the online service either through agency support, leadership, or committee participation. The OneStop committee decides upon any annual upgrades and new features. These enhancements are also partially subsidized.

16. How is the program funded?

Initial and any new development costs are paid for out of the budget of participating state agencies.

17. Did this program require the passage of legislation, executive order or regulations? If YES, please indicate the citation number.

No, the program did not require the passage of legislation.

18. What equipment, technology and software are used to operate and administer this program?

The service is administered entirely online. The OneStop website was written using the java language and stores the information in a MySQL database. The website is located in two datacenters, one in Salt Lake City and a failover site in Colorado

19. To the best of your knowledge, did this program originate in your state? If YES, please indicate the innovator's name, present address, telephone number and e-mail address.

Yes, the program originated in Utah and it was the first of its kind in the country. The project was one of ten "The innovator was actually a handful of individuals including a technology-minded former Governor, Mike Leavitt along with former Chief Information Officers (CIO) Val Oveson and Phil Windley. There were a handful of people within state agencies who were instrumental in the program's success such as James Whittaker with Workforce Services, Klare Bachman, former Executive Director Department of Commerce, Rick Leimbach former eCommerce Coordinator at the Tax Commission, and Kathy Berg, Director of the Division of Corporations and Commercial Code.

20. Are you aware of similar programs in other states? If YES, which ones and how does this program differ?

Since the launch of OneStop in Utah, other states have been inspired to adopt similar programs. Utah.gov has offered guidance and support to states that have launched like programs. In Tennessee and Kentucky, for example, Utah shared their experience and expertise with individuals who started similar applications.

21. Has the program been fully implemented? If NO, what actions remain to be taken?

Yes, OneStop Business Registration is fully functioning, and new businesses are registered everyday. (In some of the agencies, the OneStop registrations account for 50% to 60% of all new license registrations.)

22. Briefly evaluate (pro and con) the program's effectiveness in addressing the defined problem[s] or issue[s]. Provide tangible examples.

OneStop combines six disparate, offline, government processes into one, online process, thereby reducing the amount of time and energy citizens spend registering a business. Until the introduction of OneStop, the business registration process in Utah was confusing and complicated; business owners were often left wondering if they had actually completed all the necessary steps, and provided the same information multiple times to the various agencies.

Online registrations are 100% complete and do not contain any of the errors typically made during the paper registration process, thus greatly reducing the administrative burden on state agencies as well as eliminating constituents' worries as to whether or not they have successfully completed their business registration.

Registration can be done at the business owner's convenience, anytime of day and from any location, an invaluable benefit given that statistics show that more than 20% of the application access occurs between the hours of 6pm and 7am. In other words, 20% of all access to OneStop occurs after normal business hours. This statistic further underscores the importance of having a business registration system that is available anytime of the day or night with 24/7 Live Help.

23. How has the program grown and/or changed since its inception?

Initially, agencies were apprehensive to open the program up to all types of businesses in the state. However, given the huge success of the program, the system has now been opened to more types of business registrations, including tribal councils, single member LLCs, and non-profits. In addition, the program now allows for more customization in some of the legal documents.

24. What limitations or obstacles might other states expect to encounter if they attempt to adopt this program?

Other states may expect to see two types of obstacles, technical and political. On the technical side, chief among these challenges was requirements gathering. The key to compiling requirements from several different agencies into one, streamlined application was to gather requirements one agency at a time. By gathering requirements from each agency individually, Utah.gov was able to see the “big picture” of business registration and understand the process logically, rather than on a form-by-form basis. Once the “big picture” was in sight, Utah.gov could incorporate each agency’s requirements into an application that was centered on logic, not forms.

Another challenge states may face is getting buy-in from attorneys and power filers. In Utah, these individuals initially feared OneStop would take business away from them and overcoming this fear proved to be a significant challenge. To overcome this, Utah.gov hosted focus groups for attorneys and power filers early in the development process. These focus groups performed two functions: first, they succeeded in getting the attorneys and power filers excited about OneStop and second, they helped Utah.gov understand what attorneys and power filers needed in an application like OneStop. To further ensure buy-in and an understanding of user needs, Utah.gov personnel spoke to the Utah Bar association and CPA groups to educate them about the application.