

CHRISTINE O. GREGOIRE
Governor



STATE OF WASHINGTON
OFFICE OF THE GOVERNOR

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EXECUTIVE ORDER 10-05

**IMPROVING THE WAY STATE GOVERNMENT
SERVES SMALL BUSINESS**

WHEREAS, 95 percent of Washington employers have fewer than 50 workers; and

WHEREAS, small businesses are one of the main drivers in our state's economy; and

WHEREAS, recent economic conditions have had an especially negative impact on many small businesses; and

WHEREAS, small business growth is critical to pulling our state and nation out of the worst economic times in 80 years; and

WHEREAS, the Governor has met and consulted with small businesses about their needs in these challenging economic times; and

WHEREAS, reducing the complexity of the state's regulatory and tax system would have a positive impact on small businesses by reducing the time and cost associated with compliance; and

WHEREAS, state government should continue its efforts to reduce the cost of doing business by streamlining processes and reducing regulatory obligations without diminishing public health and safety; and

WHEREAS, the recession has severely limited access to capital for small businesses, and the state has the opportunity to apply for federal funding under the State Small Business Credit Initiative and such funding could be used to provide small businesses access to capital ; and

WHEREAS, tremendous opportunities exist for small businesses to sell their products overseas, and nurturing and growing exports is essential to our economic recovery; and

WHEREAS, it is the policy of the state to encourage competition and level the playing field for law abiding businesses.

NOW, THEREFORE, I, Christine O. Gregoire, Governor of the state of Washington by virtue of the power vested in me by the Constitution and statutes of the state of Washington do hereby order and direct:

- (1) The Department of Commerce, in consultation with small businesses, to lead the development of the state's application to the U.S. Treasury for federal funds to increase access to credit for small businesses pursuant to the State Small Business Credit Initiative (SSBCI). Commerce will develop an SSBCI loan program that targets financing gaps in the system consistent with our state economic development strategy.
- (2) The Department of Agriculture and the Department of Commerce to incorporate small businesses into their state export initiative strategies. Additionally, the Department of Commerce will actively work with the Small Business Administration (SBA) on the new federal grant program directed to states to provide funding to assist small businesses with expanding exports sales.
- (3) The Department of Labor and Industries, Employment Security Department, and the Department of Revenue shall review current practices and tax and rate structures with the goal of reducing state imposed costs for small businesses and report to the Governor specific options to consider no later than January 5, 2011.
- (4) The Employment Security Department and the Departments of Labor & Industries and Revenue, shall work to protect law-abiding businesses from unfair competition from the "underground economy." The Departments shall coordinate efforts to enlist help from the public and the business community to detect and prevent participation in the underground economy. A public education campaign shall be an integral part of the strategy.
- (5) The Department of Revenue, in consultation with small businesses, local governments, and other interested stakeholders, shall evaluate ways to reduce the complexity of the state's sales tax system. Findings and recommendations from this work shall be reported to the Governor no later than June 30, 2011. The Department shall consult with stakeholders including but not limited to: Association of Washington Cities, Washington State Association of Counties, Washington Association of County Officials, Washington Food Industry Association, Association of Washington Businesses, National Federation of Independent Businesses, Independent Business Association, Washington State Transit Association and the Washington Retailers Association.
- (6) The Employment Security Department and the Departments of Labor & Industries and Revenue shall provide alternatives for late payment of taxes and premiums and provide the information on the internet to businesses, employers and tax practitioners. Such information will include the availability of penalty and interest waivers. The Departments shall work to ensure clear and consistent ways for business to make late payments and provide a report to the Governor by January 5, 2011.

- (7) The Department of Commerce, working with the Governor's Office of Regulatory Assistance and key state agencies that regulate business, shall consolidate the variety of small business licensing, registration and certification guides into one integrated online resource available across all state agencies by June 30, 2011.
- (8) The Department of Commerce, working with the Governor's Office of Regulatory Assistance and key state agencies that regulate business, shall complete a study to identify and evaluate the current regulatory steps and processes required of small business and identify ways to streamline these processes and procedures without diminishing public health and safety. The study, which may include a pilot project, shall be completed by March 1, 2011.
- (9) The Governor's Job Creation Subcabinet shall regularly meet with representatives of small businesses, identify issues affecting small business, and review progress on this Executive Order.

Signed and sealed with the official seal of the state of Washington on this 26th day of October 2010 at Seattle, Washington.

By:

/s/

Christine O. Gregoire
Governor

BY THE GOVERNOR:

/s/

Secretary of State