

CHRISTINE O. GREGOIRE  
Governor



STATE OF WASHINGTON  
**OFFICE OF THE GOVERNOR**

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**EXECUTIVE ORDER 12-01**

**REGULATORY REFORM AND ASSISTANCE TO HELP  
SMALL BUSINESSES SUCCEED AND GROW**

**WHEREAS**, with 95 percent of Washington employers having fewer than 50 workers, these small businesses are one of the main drivers in our state's economy; and

**WHEREAS**, small business success and growth are critical to the overall economic health of our state and nation; and

**WHEREAS**, regulatory red tape reduction across state agencies and access to more consistent and coordinated online resources are especially critical in tough economic times so small businesses can focus on sales and operations; and

**WHEREAS**, Executive Order 10-05 addressed some of the factors identified by small businesses that reduce the cost and complexity of doing business in the state; and

**WHEREAS**, through work begun under Executive Order 10-05, Washington embarked on the largest reform of our workers' compensation system in its history and has reduced unemployment insurance rates for more than 185,000 businesses, many of them small businesses; and

**WHEREAS**, Washington currently has an informal small business liaison program in 16 state agencies; and

**WHEREAS**, small businesses have found the work of the informal liaison program meaningful in identifying how government can serve businesses better and in helping government and business work together toward common goals; and

**WHEREAS**, in Washington State, manufacturing businesses employ more than 270,000 people, and the food and beverage industry employs nearly 200,000 people, not including proprietors and the self-employed; and

**WHEREAS**, small businesses from the manufacturing and restaurant sectors, as well as business associations, have expressed an interest in partnering with regulatory agencies to educate business owners about state and local requirements to prevent noncompliance issues; and

**WHEREAS**, assisting one or more segments of these industries can have a statewide impact while suggesting a template for improvements that will help other business sectors; and

**WHEREAS**, through current initiatives under Executive Order 10-05, and with the input of manufacturing and restaurant businesses, we have identified how to help small businesses without diminishing public health and safety by reducing the time, cost, and inconsistent requirements associated with multiple regulatory inspections and requirements.

**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 the following:

(1) Small Business Liaison Program

(a) The Governor's Office of Regulatory Assistance (ORA) shall formalize a business liaison program for all state agencies having significant regulations affecting small businesses, including at a minimum the state departments of Revenue, Labor and Industries, Employment Security, Licensing, Commerce, Health, Agriculture, Ecology, Social and Health Services, Enterprise Services, Veterans Affairs, and Lottery, and the Office of Minority and Women's Business Enterprises. ORA shall lead the small business liaison team to ensure responsive and effective coordination across state agencies, and to facilitate roundtable and outreach sessions with small businesses. Representatives from the Department of Fish & Wildlife, Washington State Liquor Control Board, the Workforce Training and Education Coordinating Board, the Governor's Office of Indian Affairs, and the commissions on African-American Affairs, Asian Pacific American Affairs, and Hispanic Affairs shall be invited to participate in the small business liaison program. The Secretary of State, Insurance Commissioner, and Commissioner of Public Lands shall be invited to appoint a member to the new business liaison program. By January 20, 2012, participating agencies shall designate an individual to serve as its Small Business Liaison to help businesses navigate state regulatory processes, resolve conflicting or inconsistent requirements, and facilitate multi-agency coordination.

(b) Small business liaisons shall meet at least six times a year, facilitated by ORA. The first meeting will be conducted on or before February 10, 2012. The purpose of the meetings is to review customer service performance, develop programs to simplify regulatory compliance, reduce duplication and inconsistency, and reduce the cost of regulations on small businesses to the maximum extent possible without negatively affecting the environment or public health and safety. ORA shall include results and recommendations from the small business liaison team in its annual report.

(c) The small business liaison team, working with ORA and Commerce, shall develop an annual outreach program to help agency directors and deputies connect with small businesses around the state and learn about the experiences of small businesses as they work to comply with state regulations. The outreach program may include some or all of the regulatory agencies, with an option for agency participation and geographic outreach to be adjusted annually to ensure a range of issues and agencies will be included over time. Recommendations

and results from the outreach program shall be developed and managed by the liaison team and provided by agencies to ORA each year for inclusion in ORA's annual report.

(2) Inspection Coordination and Consistency

(a) ORA and the Department of Commerce shall work with the small business liaison team and the agencies they represent to develop a pilot program that streamlines and reduces the number of duplicative and conflicting requirements, decisions and inspections that affect small business operations. This program shall begin with a pilot project focused on a segment of the food and beverage industry. The selected industry segment must be the subject of inspections by multiple state and local regulatory agencies. Local government shall be invited to participate in the pilot program and related industry associations shall be consulted. Shared, delegated, or joint regulatory and inspection approaches among agencies shall be developed by interagency or interlocal agreements whenever possible.

(b) The inspection pilot program shall be developed immediately and implementation begun by June 1, 2012. The program shall conduct an inventory and reconcile related or similar regulatory requirements across relevant agencies. In developing this information, the pilot program should consult with the technical assistance and consultation programs already in place. In addition, this effort should develop ways to communicate to small businesses about the most common regulatory violations and how to avoid violations by leveraging industry partnerships in the outreach and education efforts.

(c) From this pilot program, ORA and Commerce, working with the liaison team, shall compile a report by October 31, 2012, that includes a guide or template for expansion of the program to other business types or industry sectors.

(3) Website Improvements and Assistance

(a) The small business liaison program, in conjunction with ORA, shall establish an online presence where businesses and citizens can submit suggestions for regulatory improvements and request information or assistance.

(b) The small business liaison team shall also work with agency chief information officers (CIOs) and webmasters to develop more consistent and user-centered approaches across all state agencies that regulate or work with small business for finding and displaying online information frequently needed by businesses. At a minimum, a single point-of-entry approach for small business, or an indexed or categorized search page should be developed. The liaison team and CIOs shall report by June 30, 2012, and implement improvements by September 30, 2012.

(c) The state's Chief Information Officer shall work with Commerce, Department of Revenue, ORA and other executive agencies that license businesses or collect taxes and insurance premiums to review business community needs and evaluate technical options for an integrated enterprise system using a single sign-on or "My Account" for business interactions with state agencies. The Chief Information Officer shall collaborate with the agencies and the small businesses community to develop a high-level enterprise architecture design and implementation plan for an integrated online system by September 30, 2012.

(4) Deploy Lean Business Improvements

(a) The Department of Commerce, working with ORA and key state agencies that regulate business, shall continue its efforts begun under Executive Order 10-05 and called for in Executive Order 11-04 using Lean principles to improve regulatory process that affect small businesses.

Signed and sealed with the official seal of the state of Washington on this 5th day of January 2012, at Olympia, Washington.

By:

/s/

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Christine O. Gregoire  
Governor

BY THE GOVERNOR:

/s/

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Secretary of State