



National Association of Secretaries of State

| Feb 2014



Streamlining for Success: Enhancing Business Transactions with Secretary of State Offices

A white paper prepared following the NASS 2013 Business Symposium

Acknowledgement of Sponsors

NASS would like to thank and acknowledge the symposium sponsors and the subject matter experts who attended the event on their behalf. This white paper would not be possible without their support.

American Express | CT Corporation | DOT Registry LLC | Dun & Bradstreet | FileONE | NIC



Decide with Confidence

Business Symposium Participants

Secretaries of State/Lieutenant Governors:

Hon. Jeffrey Bullock, Delaware Secretary of State
Hon. Greg Bell, Utah Lieutenant Governor
Hon. Ken Bennett, Arizona Secretary of State
Hon. Kate Brown, Oregon Secretary of State
Hon. Beth Chapman, Alabama Secretary of State
Hon. Dianna Duran, New Mexico Secretary of State
Hon. Jason Gant, South Dakota Secretary of State
Hon. Scott Gessler, Colorado Secretary of State
Hon. Mark Hammond, South Carolina Secretary of State
Hon. Kris Kobach, Kansas Secretary of State
Hon. Al Jaeger, North Dakota Secretary of State
Hon. Mark Martin, Arkansas Secretary of State
Hon. Elaine Marshall, North Carolina Secretary of State
Hon. Ross Miller, Nevada Secretary of State
Hon. Linda McCulloch, Montana Secretary of State
Hon. John McDonough, Maryland Secretary of State
Hon. A. Ralph Mollis, Rhode Island Secretary of State
Hon. Tom Schedler, Louisiana Secretary of State
Hon. Natalie Tennant, West Virginia Secretary of State
Hon. Ben Ysursa, Idaho Secretary of State

Sponsors and Senior State Government Staff:

Mr. Gary Zimmerman, Office of the Colorado Secretary of State
Mr. James Spallone, Office of the Connecticut Secretary of State
Mr. Tim Fleming, Office of the Georgia Secretary of State
Ms. Pat Baird, Office of the Minnesota Secretary of State
Mary Quintana, Office of the New Mexico Secretary of State
Mr. Ken Ortiz, Office of the New Mexico Secretary of State
Ms. Bobbi Shearer, Office of the New Mexico Secretary of State
Ms. Layna Brown, Office of the West Virginia Secretary of State
Ms. Penney Barker, Office of the West Virginia Secretary of State
Mr. Ken Raske, Office of the Washington Secretary of State
Mr. Kevin Rayburn, Office of the Tennessee Secretary of State
Mr. Paul Caranci, Office of the Rhode Island Secretary of State
Mr. Dave Scanlan, Office of the New Hampshire Secretary of State
Mr. Brian Shipley, Office of the Oregon Secretary of State
Ms. Charlene Dawkins, Gov't Relations Manager, CT Corporation
Mr. Tim Hall, Director of Gov't Relations, CT Corporation
Ms. Cyndi Festa, Global Info Services Leader, Dun & Bradstreet
Mr. Barrett Gilbreath, General Manager, Alabama Interactive, NIC
Ms. Laurie Harrigan, Business Solutions Manager, FileONE
Mr. Shaul Jolles, CEO, DOT Registry
Mr. Marty Shugarts, VP B2B/ State & Local Gov't, American Express
Mr. Brett Stott, Director of Marketing, NIC
Ms. Tess Pattison-Wade, Executive Director, DOT Registry



TABLE OF CONTENTS

NASS Business Symposium Sponsors & Participants.....	Page 2
Introduction.....	Page 4
Understanding What Businesses Want from Government.....	Page 6
Getting Good Feedback.....	Page 6
Helping Businesses Online.....	Page 7
Creating Business-Friendly State Agencies.....	Page 8
Reducing Red Tape.....	Page 8
Streamlining Services.....	Page 11
Doing More with Data.....	Page 14
Going Mobile.....	Page 15
Reaching Out to Business.....	Page 17
Conclusion: Measuring the Benefits.....	Page 20

About NASS

The National Association of Secretaries of State (NASS), founded in 1904, is the nation's oldest non-partisan professional organization for state officials. NASS serves as a medium for the exchange of information between states and fosters greater understanding and cooperation in the development of public policy. The NASS Standing Committee on Business Services focuses on key initiatives of collective interest to Secretaries of State and state business services divisions.



INTRODUCTION

At a time when many states are seeking new and cost-effective ways to encourage economic growth and stability, Secretaries of State across the nation have risen to the challenge. By looking at ways to cut red tape in state government, streamline services and operate in a business-friendly manner, they are reshaping the role of state business filing and licensing offices in order to create optimum conditions for business investment and job creation. Digital and online technologies offer new options for state agencies striving to be on the cutting edge. Other more traditional approaches, including university research partnerships, mentoring programs, and statewide outreach efforts, are enabling states to maximize limited resources while supporting the growth and development of small businesses, a demographic that serves as the backbone of many state economies.

In order to foster a closer examination of this important subject, the National Association of Secretaries of State (NASS) hosted a May 2013 symposium in Las Vegas, Nevada. The forum brought together state leaders and top experts from the private sector to share insights on the mindset of small business owners and entrepreneurs, allowing participants to exchange ideas for ways in which state government agencies can support their success. The resulting discussion served as the basis for this report, which outlines the various ways in which state business filing and licensing offices are rolling out the welcome mat and helping businesses conduct their transactions in a faster, more efficient and tech-savvy manner.

While most Secretary of State offices serve as the hub of business regulation and licensing, no two offices are exactly alike, and agency functions can vary greatly from state to state. Despite these differences, several shared priorities emerged during the symposium exchange:

- **Transforming the love-hate relationship that businesses have with government:** Secretaries of State are working to provide businesses with greater levels of satisfaction when it comes to government transactions. They want their offices to be a valuable resource for start-ups and small businesses, which often self-manage their government transactions or rely upon cost-effective service providers to deliver a range of legal and financial assistance. These customers often turn to the Secretary of State's office for assistance in navigating state business processes. As a result, states are utilizing new technologies or borrowing from private-sector customer service practices to deliver enhanced services and support.
- **Streamlining state business start-up requirements:** Depending on the state, a business owner may be required to deal with multiple state agencies just to create and open a new business, a process that can be incredibly challenging to navigate. The goal of simplifying the business registration and licensing



process for small business owners is not only a goal for most Secretaries of State and other state officials, but also one with national importance for the U.S. economy. As more states develop business one-stop portals that make it easier for businesses to take care of the necessary registrations, licenses, permits and fees, Secretaries of State are identifying key success factors of these systems and next steps for innovation. Where wholesale one-stops are not yet a reality, Secretary of State offices are focusing on the importance of streamlining agency services and making them accessible online.

- **Leveraging state business filing data for economic growth and success:** As the hub for transactions between business and state government, Secretary of State offices house an ocean of economic data. State business registries can provide insightful information on new business start-ups, trademarks, dissolved businesses, and more. Some states are utilizing this data in strategic fashion to help predict economic trends and bolster business development efforts. Other Secretary of State offices are looking at state data to help provide tools that business and public policy leaders can use when making important decisions, such as investment and business expansion options.

Secretary of State offices have been working through NASS for decades to develop and share innovative ideas for improving business services for customers. Today's greatest challenges clearly lie in reducing duplicative requirements and red tape in business formation and regulation - as well as other commerce-driven processes - within agencies across state governments. Customer-friendly service and tech-forward solutions are also priorities.

In this report, the National Association of Secretaries of State (NASS) has sought to emphasize state innovations according to areas of shared interest and agreement. Most importantly, the goal is to help state leaders and businesses understand the possibilities - and the realities - that exist, so they can work together to enhance their interactions and strengthen state economies.



UNDERSTANDING WHAT BUSINESSES WANT FROM GOVERNMENT

Secretaries of State are in a unique position when it comes to understanding the general needs of entrepreneurs and business owners when it comes to their state government transactions. Forty-five Secretary of State offices oversee the registration of corporations and other business entities, including non-profit or charitable organizations. Many of these same offices handle professional licensing registrations and the registration of trademarks and tradenames as well. With a direct connection to business communities within the state, their agencies are constantly exchanging ideas on the ways in which operations and programming can be more streamlined and efficient. For many officials, this has led to a focus on innovating with less and embracing 21st century technology to close productivity gaps that often exist between the public sector and private industry.

Utah, a state that is consistently ranked at the top of business-friendly rankings for the U.S., has adopted a strategic leadership approach for state business registration based upon survey research and other data showing that business owners are more likely to do business in places that offer lower start-up costs and fewer regulatory hurdles. The state has worked to reduce unnecessary regulation and improve the process of conducting business with state filing, licensing and permitting agencies. The Beehive State was also one of the first to offer a business registration one-stop portal, which joined together the electronic processes of multiple departments and encouraged "anti-silo" IT solutions built across agency lines.

Of course, not all Secretaries of State work closely with their state's economic development agencies.¹ Some business divisions are more limited, while others go well beyond the basics - offering start-up advice, training and resources for business, along with financial assistance information and business location services. Other states focus on county outreach. While every office has its own set of dynamics, working to strengthen ties between agencies has yielded strong outcomes for some offices, including a broader strategy where state business development and growth efforts are more collaborative.

GETTING GOOD FEEDBACK

One of the seemingly more important shifts for state business offices has been a greater strategic focus on customer service. NASS business symposium participants uniformly agreed on the importance of using business community feedback and analysis to drive state planning and investment when it comes to providing what businesses want from state government.

¹ For more on state economic development offices, see the U.S. Small Business Administration's state index with links: <http://www.sba.gov/content/economic-development-agencies>.



Participants offered the following advice based upon their outreach to businesses and registered agents:

- Businesses want a single, secure way to conduct their business with the state online. States that have researched this issue have concluded that consumers want a “web-based, one-stop shop where they can sign in one time, and be presented with all their state business-licensing requirements,” and the ability to complete the process online.²
- Businesses want a streamlined, simple process for identifying the forms, registrations, licenses, permits, tax payments and other filings they are required to submit under state law. In many cases, they would also like the forms to be easier to understand.
- Businesses want a customer-oriented process that generates information to help them maintain their business compliance levels, keep up with changes to state laws and reporting processes and protect themselves from fraud and other types of threats.
- Businesses would like states to leverage technology for all of the above-mentioned objectives, including security and convenience. For example, software wizards that help them pre-fill multiple government forms with their basic information are a major plus.
- Businesses would like to have a voice in the decisions being made by Secretaries of State and other leaders who provide state business services and related incentives for growth and investment.

Symposium participants also pointed out that Secretaries of State can effectively gather feedback on the needs of business owners through surveys, workshops, direct contact, state employee feedback, registered agent input and other sources, with relatively low costs for conducting this type of research.

HELPING BUSINESS ONLINE

State business services websites are another important topic for Secretary of State offices. Since people don’t always know how to access the information they need, or even know what types of support exist, anticipating the needs of business owners can make a big difference in today's competitive environment. While many sites do a good job of pointing to programs or providing links, private sector experts at the NASS symposium noted that some state websites remain difficult to navigate and may be a source of confusion to businesses. They urged a focus on describing what state programs are, as well as how they can benefit businesses.

² State of Washington, *MyAccount - Streamlining business transactions with government*
< http://www.ofm.wa.gov/ocio/documents/MyAccount_report.pdf> (November 2012); p. 3.



One of the chief frustrations that business owners share with state officials is the tendency for the information they need to be spread between many different agencies and multiple web pages, placing the burden on them to find what they need and make sense of it. While one-stop web portals for business can be a great solution to this problem, simply curating content according to subject matter (popular categories include: transactions, programs and contacts) can yield positive results. So, too, can showing users how to complete forms and other basic tasks. The Rhode Island Secretary of State's [online registration wizard](#), which proudly declares, "We've got your back," asks users basic questions in terms they can understand, and then produces all relevant forms from various agencies.

Meanwhile, the North Carolina Secretary of State's business services division overhauled its [website content](#) to better serve businesses. The agency adopted a customer service-oriented approach to its online information, offering fillable PDFs, FAQs according to user tasks and plain language instructions free of confusing acronyms, legal terms and legislative bill numbers.

Keeping content fresh and updated for business owners can be a real challenge, but as the welcome wagon for business in the state, there are great benefits for those who go the extra mile. For resource-strapped offices, NASS symposium participants noted their success in seeking assistance from a state university, or another in-state partner with interest in developing solutions and providing assistance.

CREATING BUSINESS-FRIENDLY STATE AGENCIES

A common quality among the offices spotlighted in this report is the ability to innovate according to what customers want by reducing red tape, streamlining services for business, doing more with data, offering mobile solutions and reaching out to business. This section of the paper explains a little more about each area, and shows how states are innovating.

REDUCING RED TAPE

In most states, the Secretary of State's office is the initial access point for people looking to conduct state business transactions. In order to better serve a wide variety of customers, which can include medical and vocational service providers, contractors, trades people, small businesses and large businesses or their representatives, Secretaries of State have taken action to reduce governmental red tape and coordinate services to improve the customer experience. For many offices, this work involves eliminating duplicative and conflicting requirements, reducing turnaround times and identifying ways to substantially improve the regulatory process.



The Colorado Secretary of State's office, for example, identified four areas of costs during a formal study of compliance with state regulations: 1) Time and effort to learn what regulations exist; 2) time and effort to complete and submit documents; 3) time spent paying for costs of regulatory framework; and 4) the time it costs for businesses to comply with the regulations. The office used these factors to evaluate its programs and processes for business and develop new online tools that would facilitate a simpler, more efficient experience for users.

States have also worked to introduce relevant rule changes, introduce rate and fee changes, offer customized alerts and reminders with due dates, and establish easy online access to state business filing and licensing transactions and services.

What States are Doing

- The New Mexico Secretary of State recently oversaw the transfer and consolidation of [corporate filing duties](#) from the New Mexico Public Regulatory Commission to the Secretary of State's office. The move brought all business filings into a single state agency and placed the state on par with the framework that other states typically use for business filing and regulatory functions³, helping to ensure that business owners know where to go when they need information or assistance. The agency is working to streamline current processes, eliminate duplicative services and offer online services in the future.
- The Maine Secretary of State's office developed a [Small Business Advocate](#) program that serves as an independent voice for helping small businesses understand, and comply with, the state's regulations. The Advocate works with small businesses that have specific grievances with regulatory agency enforcement actions and reports to the Secretary of State, the state legislature, and the governor on regulatory and statutory changes that can enhance the state's business climate.
- The Delaware Department of State embarked upon an aggressive new customer service approach by earning [International Organization for Standardization \(ISO\) 9001 certification](#) to improve its operations, give customers confidence, and make the state more competitive for business worldwide. The state's efforts included a division-wide self-assessment, defining mission and values, examining and modifying work processes and improving outcome measures for the agency. One of the Department's newer offerings, [expedited services](#) that can be completed in 30 minutes, allows the state to earn additional revenue while providing value to business.

³ Forty-five Secretaries of State are responsible for state business/commercial registration and filing services.



- Several states have explored fee holidays or fee reductions for business. These are one-time offers that temporarily reduce or eliminate permitting, licensing or filing fees for businesses. In Colorado, for example, the Secretary of State cut business filing fees for out-of-state businesses to \$1 for a period of three months. Through its online [Franchise Tax System](#), the Arkansas Secretary of State gave businesses a one-time opportunity to catch up on delinquent franchise taxes with forgiveness on penalties and interest for up to three years.
- The Mississippi Secretary of State's office introduced a Mississippi Headquarters Bill, which would provide a tax credit for companies relocating their corporate headquarters to the state. The company must create new jobs in Mississippi in order to be eligible. Under the legislation, existing corporations that are expanding their operations would also be eligible for the credit.
- A 2012 Pennsylvania law, Act 76, requires the Department of State and other state agencies to identify and assess the effects of proposed regulations, including: the number of businesses affected by the proposed regulation, the financial, economic and social impacts of the proposed regulation on small businesses, the cost for small businesses to comply with the proposed regulation and the methods by which a state agency can reduce the proposed regulation's negative impact on small business.
- The Nebraska Secretary of State's office offers an online [Rules and Regulations tracking system](#) that is a publicly accessible docket for following proposed business regulations and their progression through the state adoption process. The public interface has an online comments feature and an email notification registration option, where users can create their own customized docket and track specific regulations of interest.

While regulatory changes truly require strong levels of executive and legislative support, every state can find ways to make the process simpler and less burdensome for business. The results often speak for themselves by attracting the formation of new businesses, improving staff and customer satisfaction levels and reducing turnaround times. Symposium participants advised that simply being known as the place where people don't have to wait in line to fill out forms can be very positive. Take Texas, for example, where the Secretary of State's [SOS Direct](#) system proudly notes that "turntime for web filings is generally 24 hours or less." Other efforts, such as [ISO certification](#) and fee holidays, also help to convey to the public in clear terms that a state agency is open for business and ready to serve the public.



STREAMLINING SERVICES

A best practice common to many Secretary of State offices is the online integration of business filing and licensing applications through the various divisions under their supervision. Many offices are following the early lead of states such as Utah and South Carolina by taking part in a broader push to connect disparate business functions across multiple state agencies, enabling the state to deliver a more standardized, user-centered gateway for starting and maintaining a business through a one-stop portal. These comprehensive, Internet-based sites often create efficiencies for business customers and agencies alike, streamlining access to records and improving data at both ends.

For example, the Kentucky Secretary of State's office partnered with executive branch agencies and business leaders to develop [Kentucky's Business One Stop Portal](#), a single unified point of entry for businesses to government. Currently, [Onestop.ky.gov](#) allows users to register with the Secretary of State and the Department of Revenue online using a custom-designed template. Launched in October 2011 and recently expanded with more options, the site provides links for obtaining government permits, licenses and tax ID numbers. Users may access information and guidance on planning, opening, operating, expanding, and moving businesses in Kentucky. Additionally, [Onestop.ky.gov](#) offers five interactive web tools to help the user determine his/her readiness to open a business, write a business plan, determine the most appropriate business structure, understand occupational licenses and permits required by state and federal government and find local government resources. According to the state, the Kentucky Business One Stop Portal has reduced processing times for business registrations by as much as 75 percent.

What States are Doing

- Numerous Secretary of State offices have been involved in the development of an integrated business filing and licensing website, or a comprehensive one-stop business portal, including the following: [California Go-Biz Portal](#), [Colorado Business Express](#), [Delaware One-Stop Business Registration and Licensing System](#), [Kansas Business Center](#), [Kentucky Business One Stop Portal](#), [Business in Maryland Made Easy](#), [Massachusetts Business Portal](#), [Michigan Business One-Stop](#), [Missouri Business Portal](#), [Nebraska One-Stop Business Registration Information](#), [NewNY](#) (New York), [Nevada Silver Flume Business Portal](#), [New Jersey Business Action Center](#), [Oregon Business Xpress](#), [Pennsylvania Biz Online](#), [South Carolina Business One-Stop](#), [Virginia Business One-Stop](#), [Texas Wide Open for Business](#), [Utah One-Stop Business Registration System](#) and [Business for West Virginia](#).



- The New Jersey Governor's office launched the [New Jersey Business Action Center \(BAC\)](#), a one-stop for business, as a customer-service oriented approach to state efforts to attract, retain and grow businesses. Led by the Lieutenant Governor's office, the BAC offers permitting and regulatory assistance, as well as site selection services with a commercial properties real estate database and trade consulting services for companies looking to do business globally.
- Several states also have a comprehensive one-stop project in the works. The North Carolina Secretary of State has been a key participant in an ongoing cross-agency effort to develop North Carolina's [Business Link Express](#), aimed at integrating start-up business processes for small businesses into a one-stop web interface. The North Dakota Secretary of State's office is also working on an initiative that will allow for online filing of most business documents and annual reports upon its completion, and Connecticut is launching an online Business Start-up Tool to assist users with the business registration process at the Office of the Secretary of the State through questions, answers and links in plain language, with easy-to-understand steps and graphics (the Start-up Tool also steers users to other relevant state agencies for registration).
- The Rhode Island Secretary of State office's [Quick Start](#) is a master business application that helps users determine which type of entity to create, identifies the various requirements for creating the business, and provides business guidance from the [Rhode Island Economic Development Corporation](#). From car dealerships to restaurants, entrepreneurs can find and complete every one of the more than 300 forms that state agencies may require by answering easy-to-understand questions. The Quick Stop site can also save data and use that information to populate multiple forms, thereby eliminating the need for repetitive data entry. An online payment engine also helps users complete transactions.
- The Nevada Secretary of State's office worked with Harvard University to develop a Digital Operating Agreement tool that is part of the [Silver Flume Business Portal](#). The application uses online wizard technology and a software platform that allows for the creation of operating agreements in a totally digital realm. Business owners can utilize the service for free, create the basis for the contract between the parties, and run their company in the digital realm. Members can hold board meetings online through Skype, make amendments to the operating agreement, propose new investments, and more.
- The Tennessee Secretary of State's office launched an [online LLC formation tool](#) that allows users to complete the required paperwork to file their formation documents with the state. The wizard helps to prevent mistakes and omissions that would prevent the office from being able to accept the formation documents. Filing fees may be paid using a debit card or a credit card.



While the business one-stop concept seems quite simple, the reality is much more complicated. Some business one-stop portal projects go deeper than others in terms of functionality. Many have a uniform web layer that essentially serves as an attractive cover for weaving together a variety of state agency systems. Others are enterprise architecture portals, seamlessly integrating individual state agency IT systems on a single platform using uniform technologies. Many of the more recent versions allow users the chance to conduct a multitude of transactions online using an interactive interface and a secure credit or debit card payment option.

Secretaries of State and their vendors have experienced multiple challenges in developing state business portals, including a lack of collaboration between agencies and departments, failure to identify a secure funding model, complex processes and confusing requirements within multiple systems and redundant data collection across agencies. Overcoming these challenges requires leadership and strong project governance with a clear and realistic timeline, collaboration across agencies and operational enablement. Assembling an executive steering committee and soliciting stakeholder input were strongly recommended for those who are working to share information and reduce paperwork across multiple state agencies. Experts also urged states to conduct review of rules and laws that need to be modified to create the site, including those concerning data sharing, privacy, e-signatures, and other sensitive data, prior to developing a portal. This "technology roadmap" could include the integration of online payments, mobile-friendly services and other advanced features.

However, simply doing more to offer online services is a big plus, with recent studies showing significant cost savings for states that offer this method for business filing and reporting. For example, the Ohio Secretary of State's office recently began accepting [online business filings](#) to form a limited liability company, renew a trade or fictitious name, submit a biennial report for professional associations or LLPs and submit a state of continued existence for nonprofit corporations. According to the office, these forms represent approximately 50 percent of all filings received by the Secretary of State's office in 2012. The move also places Ohio on par with the roughly 90 percent of states that offer some level of electronic filings for business.

Connecticut is another state that continues to migrate its services to online platforms. Having secured bonding from the General Assembly to significantly upgrade its online business services and web presence, the Secretary of State's office has successfully launched mandatory online filing of annual reports.

Regardless of how comprehensive a state's online services are, NASS symposium participants urged leaders to closely monitor user feedback and budget for outreach, so business owners will know about the services they offer. Others noted that the success of online business filing websites can be measured by reductions in personnel costs and the average amount of time it takes to complete basic transactions and data showing how many people are utilizing the site.



DOING MORE WITH DATA

Data collection and analysis have become a major priority for many states and localities, which can use the information to improve services and develop new applications that better serve citizens. For enterprising Secretaries of State, finding ways to mine the deep reservoirs of business data housed in their offices can give their state a competitive advantage and allow for accurate analysis of economic growth. Within business filing agencies and even across agency thresholds, the datasets may also be used as part of a larger digital strategy to spur the creation of new tools that improve efficiency and establish government performance measures.

What States are Doing

- A number of Secretary of State offices are utilizing business filing data to publish periodic reports that help to improve economic forecasting and analysis, including Colorado, Indiana, Kansas, Minnesota, Nevada, Ohio, South Dakota and Tennessee. The Ohio Secretary of State's office releases [a monthly report](#) of new business filings in the state, allowing anyone to follow the number of newly-registered businesses for each year and compare growth trends.
- The Colorado Secretary of State's office has a [Business Intelligence Center](#) initiative that aggregates public data from different state agencies and makes it available on a common platform to improve business intelligence and encourage growth. The Minnesota Secretary of State's office is hosting [Capitol Code: An Open Data Jam](#) in early 2014 to publicize its open data initiative featuring public datasets related to business filings, official state documents, voting and elections and more. The goal is to make government more transparent and accountable, while offering data that can spur the creation of new technology solutions and stimulate business ideas, such as smartphone applications or websites.
- The New Hampshire Secretary of State's office partnered with the Enterprise Integration Research Center at the University of New Hampshire to help develop the [Portal for Intellectual Property Rights](#) (PIPR), a web-based resource designed to aid entrepreneurs, investors and financial institutions in making the commercialization of intellectual property easier and more efficient. Part of a pilot project that also includes Maine and Massachusetts, the project provides one-stop access to the most current, publicly available federal and state information on patent ownership and encumbrances. One search engine reviews the federal patent assignment database, while a second search engine relies upon data from state Uniform Commercial Code (UCC) databases.



- In 2013, the Kentucky Secretary of State advocated for a law that would create a uniform business identification number for use across state agencies, a move to streamline government interactions and facilitate better data-sharing among state agencies.

In the long run, more and more Secretaries of State will continue the general trend towards sharing Big Data analytics and supporting state-centered open data initiatives. The Connecticut Secretary of State's office has already reported plans to develop a business data collection center to collect and better organize and present economic data for public use. Such efforts provide a way to measure outcomes and conduct data-driven analysis of program effectiveness, while at the same time stimulating innovation, business creation and employment opportunities.

Symposium participants noted that data sharing initiatives are an opportune way for Secretary of State offices to collaborate with public or private partners to educate and raise awareness about business and economic issues that are specific to states and localities. Furthermore, such information can help to connect leaders working together across agencies, allow for comparisons and the development of best practices and spur competitions to innovate and improve state processes.

GOING MOBILE

Secretaries of State expect their agency to keep pace with cutting-edge tools and technologies that help them offer businesses greater convenience and security, thereby contributing to economic development efforts within their state. With the increased popularity of smartphones and tablet computers, embracing the mobility revolution makes good sense. By adopting these technologies, state business agencies can enhance user satisfaction, facilitate faster transaction times, better accommodate remote access and deliver new efficiencies in the wireless realm, where today's small business owners are constantly on the go.

What States are Doing

- The Arkansas Secretary of State's office updated its outdated legacy systems and built a platform to allow for the use of [mobile apps](#) and cloud technology, with the goal of making content portable for any device. The state now offers a business entity search app and a mobile feature that allows users to purchase certificates of good standing on businesses registered to do business in the state.



- The Rhode Island Secretary of State's [Quick Start](#) application has an online help desk feature and is also available as an app for smartphones or tablet computers.
- North Carolina launched a mobile version of its data-rich website, making it much easier for businesses and service providers to access all of the important business information through tablets and smart phones.
- [Utah's Professional License Lookup](#) for the iPhone allows a quick and convenient way to check on the professional license status of doctors, nurses, contractors, accountants, and any other professional offering services that require state licensure.
- The [eVA Mobile app](#) provides users real-time access to business opportunities with Commonwealth of Virginia state agencies, local governments and institutions of higher learning.
- Applying the concept of mobility to outreach and learning, the Colorado Secretary of State's office has created an eLearning platform, which offers online course content that is free and open to the public. The first [release](#), which focuses on nonprofits, aims to help strengthen nonprofit management in the state and will reach the approximately 60,000 nonprofit corporations and more than 11,000 soliciting charities on file with the Secretary of State's office. The agency plans to release more nodules soon.

While a number of Secretary of State offices have already entered the mobile arena, all states will be expected there soon. Secretaries of State must think about ways to make content portable from the web to any operating platform, whether it's an iPhone, Google Android, Blackberry, Windows Mobile or tablet computer. Mobile services drive demand, while also increasing traffic to online services and reducing the need for manual processing of forms and payments.

Mobile apps provide the same benefits as traditional services, but use features such as simpler layouts that optimize touch screen technology, including larger text, bigger buttons, better graphics and faster transitions between screens. Mobile also brings a whole new set of capabilities, including GPS location services, cameras, remote control/automation and crowdsourcing.

The usual concerns that come with any technological innovation still apply to the mobile world. Security, accessibility, privacy and development are all issues that states must deal with in creating mobile content. Staff training is also a necessity when new programs and applications are introduced. The Arkansas Secretary of State highlighted a number of key elements in the state's mobile strategy, urging symposium participants to give great thought to address security, compliance and identity management issues.



Others noted that states with limited resources may want to think about a mobile Web approach, rather than focusing on mobile apps, which take more expertise, time and money to develop and deploy. The benefits to a mobile approach include improved service delivery, citizen engagement, allocation of resources and staff support.

REACHING OUT TO BUSINESS

Secretaries of State who oversee state business divisions stressed the importance of establishing strong outreach networks with the business community, including registered agents. With an agency that typically maintains the largest, most up-to-date list of active businesses in the state, they can utilize their office as a conduit between the business community and state officials who must work together and develop sound policies for economic development and growth. For example, when a new business registers with the Secretary of State's office, many offices provide information about the U.S. Small Business Administration and the kinds of programs that are available on mentoring, financial assistance and loans.

In addition to making agency interactions with state employers as straightforward and hassle-free as possible, they can also highlight the positive things that are going on within the state's business environment and make sure business owners are up-to-date on rules and regulations. One business symposium participant likened the job to being a "chief engagement officer" for business.

What States are Doing

- A significant number of Secretary of State offices are working to educate small business owners about how they can protect themselves from [business identity theft](#). Secretaries of State in California, Georgia, Kansas, Indiana, Maine, Nebraska, North Carolina, Ohio, South Dakota, Tennessee, Vermont and Wyoming have conducted vigorous outreach on this issue with the business communities in their state. In nearly half of the states, business owners can sign up for email alerts from the Secretary of State to receive formal notices about deadlines and fraud alerts.
- The Indiana Secretary of State's office is among the many offices that conduct proactive outreach to the business community, offering workshops and hosting events throughout the state, along with sending e-alerts on topics of interest. The Secretary of State also actively seeks to [educate business owners](#) about protecting themselves from business identity theft, fraudulent Uniform Commercial Code (UCC)



filings, legislation affecting business, UCC 2010 amendments and how the Secretary of State's office is dealing with fraud as an ongoing issue.

- The Missouri Secretary of State's office has a dedicated [Small Business Outreach Office](#) to serve the more than 200,000 state residents who are self-employed small business owners. The online center, managed by the Business Services Division, is dedicated to helping prospective business owners navigate the process of forming a new business and streamline their ongoing communication and reporting requirements with state government.
- As part of its comprehensive business one-stop, the West Virginia Secretary of State's office established a [Business and Licensing Online Help Chat](#) feature to help assist business owners and reduce call volumes to the office. Business owners can log on to the state website, connect directly with a Business and Licensing specialist and have a question answered within minutes. There are no delays from being put on hold or having to stand in line, leading to quick results. Plus, the office assists more customers during the course of the day. The office also offers text alerts for business.
- The Louisiana Secretary of State office's digital [Geauxbiz.com](#) feature provides a central point of contact for state government business registration and licensing requirements. In addition to directing the user to the proper local licensing and taxing authorities through a customized licensing/permit checklist, it provides small businesses with licensing liaisons for every state agency that deals with these functions.
- Ohio and Tennessee are using social media to raise awareness about companies registered and doing business in their state. The monthly [Ohio Business Profile](#) and the [Tennessee Business Spotlight](#) feature businesses linked together with a common theme, such as veteran-owned businesses, music-oriented businesses, or great places to stay. As an interactive program, residents of each state may also submit nominations for companies they feel are deserving of such recognition.
- The Oregon Secretary of State introduced legislation to support the formation of businesses that do social good, also known as benefit corporations or "B Corps." The goal is to give the companies legal clarification so they can freely operate in ways "that put people before profits." According to the office, eleven states have so far adopted laws to allow the legal formation of businesses that pursue economic, social and environmental good, with other states considering such changes.
- The Arizona Secretary of State's office is thinking beyond state borders when it comes to business outreach. This year, the Secretary of State participated in a [U.S.-Mexico forum](#) to discuss education and



workforce issues, exports, regionalization and entrepreneurship. The meeting resulted in an economic development agreement with Mexico, currently the third largest trading partner of the U.S.

- In addition to offering its digital [First Stop Business Information Center](#), the Georgia Secretary of State's office has launched a public awareness and economic development program called, "State of Success." Dedicated to promoting the vital services of the Secretary of State's office, the program seeks to educate Georgians through strategically focused and highly integrated grassroots canvassing, public relations and advertising activities.
- The Rhode Island Secretary of State's office has developed the ["We Mean Business"](#) program, which includes a website and an annual expo where business owners and would-be entrepreneurs from across the state can meet face-to-face with state agency experts offering free advice and guidance on licensing, permitting, financing, social media and other business-related tasks. The most recent "We Mean Business" Expo featured a "Smart Start" room where attorneys and accountants fielded questions on business filings, patents, trademarks, tax documentation and Federal Identification Numbers.
- The Connecticut Secretary of State's office is harnessing business registry information to deliver email notifications about government-sponsored educational and business development opportunities to the businesses community. Presenters have reported a measurable increase in turnout. The state has also partnered with the Connecticut Export Assistance Center of the U.S. Department of Commerce to publicize seminars, webinars and other events aimed at increasing Connecticut exports and related opportunities for business.

Symposium attendees largely agreed that Secretaries of State have an important outreach role to play and the contacts to make a difference in building consensus on state policies for business and economic growth. Participants noted that some state business registration and licensing offices are more proactive than others in communicating about upcoming changes by actively reaching out to businesses (via email and/or text) and seeking out media coverage, while others may simply post notices on the state website.

In general, once a business has been formed, its operators will want relevant information from the state, including:

- Notice of rule changes, rate and fee changes and safety/security information;
- Relevant alerts, deadline reminders and due dates
- Guidance on properly operating or maintaining a business in compliance with local, state and federal regulations



- Easy online access to FAQs and help desk information when questions arise
- Account editing and management information, along with periodic updates

Producing a digital newsletter or bulletin, such as the one offered by the [Minnesota Secretary of State's office](#), is a cost-effective means of outreach to business. Such publications can cover a range of helpful information for business owners, including: filing deadlines and business renewal reminders, fee holiday notices, reporting tips and tools, financial assistance and other resources for small business owners, special assistance or training for veteran or minority-owned businesses, scam alerts, employee hiring and training resources, state settlement notices and information on statewide business venture competitions or initiatives. Touting a state business one-stop or agency online filing tools as a means of economic development are also well-received topics.

By reaching out to businesses across the state, Secretaries of State can supplement their ongoing efforts to increase understanding on how to do business with state government, protect business identities from theft and other crimes and increase subscriptions to state notification/fraud alert services for business. With the growing threat of business identity theft and other types of fraud throughout the U.S., being able to quickly warn or notify potential victims about illegal or unethical practices allows businesses to take immediate measures to prevent damage. Secretaries of State can also alert business owners about mailings that try to appear to be "official" state mailings and seek to charge unnecessary or exorbitant fees for helping businesses file annual reports and other routine transactions.

Conclusion: Measuring the Benefits

As one NASS symposium participant astutely observed, the latest efforts by state business registration and licensing offices signify a concerted effort by Secretaries of State to "greet businesses at the door." With many state economies on the rebound and business development on the upswing, states that want to attract economic development will need to embrace an operational strategy that reflects what businesses want. Policies and programs designed to cut red tape, streamline services for business, do more with data, offer mobility and reach out to business may offer a significant competitive advantage.

Moving forward, NASS and its member offices will focus on these elements as a way to measure and analyze the policy changes, technology projects and general improvements that are part of the state successes and innovations driving the best practices in state business services today.