Nebraska Information Technology Commission
State Government Council

Online Business Registration Work Group

Thursday July 29, 2004, 9:00 A.M. to Noon
Nebraska State Office Building, Sixth Floor Conference Room 6X
301 Centennial Mall South, Lincoln

Minutes

A. Participants:

Name	Agency
Armstrong, Rod	Nebrask@ Online
Barrett, Karen	Revenue
Becker, Rick	NITC/CIO
Bombere, Cathy	Internal Revenue Service
Brown, Dan	Nebrask@ Online
Burling, Dennis	Environmental Quality
Cecrle, Randy	Workers Compensation Court
Hattan, Jill	Labor
Hightshoe, Melodee	Labor
McCormick, Sherry	Revenue
Schafer, Steve	CIO
Sloup, Len	Revenue
Taylor, Linda	Agriculture
Williams, Steve	Economic Development

B. Progress Report from Nebrask@ Online
1. Usage statistics from Kansas and Utah – Rod Armstrong reported that the State of Kansas has had 11,000 registrations in 18 months using its online system. The State of Kansas is planning a major revision to their system in the near future. Rod will gather more information about the reasons for change. The State of Utah had had 8,000 registrations in 12 months, and another 5,000 registrations are still pending. He will inquire further whether these 5,000 are waiting for some action or if they are abandoned attempts to use the system. (NOTE: Later research indicated that nearly all are registrations that have been started but not completed. The only thing they have to wait on is a 24-hour turnaround on trade name registration, so it represents people that may need to gather additional information or consult legal counsel. They do purge pending registrations after 120 days, so this could well include some that were started in the past four months and may never get finished.)
2. Interviews with agencies – Rod Armstrong has met with representatives from DOL and Revenue to begin documenting their requirements and identifying common information. He is familiar with the Secretary of State's systems, but

still needs to meet with that agency and the others on the work group. One approach would be to address the common requirements in a Phase I of the project. Phase II would include requirements for regulatory programs that affect smaller subsets of businesses.

C. Demonstration of UI Connect – Melodee Hightshoe and Jill Hattan showed the features of UI Connect. The system has been in place since 2001. Although the basic registration process is unchanged, the Department of Labor has added many enhancements in response to user suggestions. Discussion included the following points:
- No pre-registration is required.
- DOL chose not to duplicate its paper form, but instead carefully reviewed what information was needed and how to gather it.
- Tabs at the top of the screen clearly show where the user is in the process.
- The user has the option to cancel at any time.
- A save option does not exist, because the application process is very short and simple.
- A completed application triggers two e-mails: an acknowledgement to the applicant and a notice to DOL staff that the application is pending.
- On average, 500 businesses submit an application using the online system per quarter, although this number is increasing and was 1,000 applications in the last quarter. The average of 500 per quarter represents about 40% of all applications. (There are about 5,000 applications total per year.)
- Not all administrative functions are automated, yet. Eventually, DOL plans to automate the process of assigning an account number and will maintain a database of applications.
- DOL uses e-mail to notify an applicant if for some reason the business is not subject to unemployment insurance withholding. E-mail is a much faster means of exchanging information and getting clarifications.
- DOL uses an online survey to get ideas for improvements.
- DOL offers a Help Line for phone assistance during normal hours of operation (8 to 5). Six people are assigned to answer calls. Initially use of the Help Line was heavy, but now there are relatively few calls as problems with the website have been ironed out.

D. Discussion of Phase I version of Business Registration System
Discussion included the following points:
- Will the online business registration system include sole proprietorships? ANSWER: The system will include sole proprietorships but not professional licensing.
- The IRS would like to be part of the state's system by including a button on the state's site that transfers the user to the IRS online system. Data entered in the state's system would automatically populate the IRS system, and the user would fill in the rest of the information. The user would have the option of automatically sending the federal tax number back to the state's system.
- The requirements document should address the issue of a Help Desk function. At a minimum, the user should be able to send e-mail with questions. There should also be a bailout option.
- NOL has a live online help function, which has the capability of including other agencies in the same chat session.

- The Department of Revenue uses a single ID for each business for all tax programs. Presently all applications for tax programs are paper-based, although about half of all Form 20s (Nebraska Tax Applications) are downloaded from the Department's website. This may be an indication of the potential adoption rate for an online system. The Department is reviewing how it would handle signature requirements for an online system.
- The Secretary of State's programs also require signatures.
- The requirements for the online business registration system should include data definitions and data transfer formats for sending information to agency computer systems. Several agencies may need this information in addition to those that are part of the work group. New Hire Reporting for HHSS is one example.
- The requirements for the basic online business registration system should also anticipate the needs for a more complete Phase II that would include other agencies such as the Department of Agriculture and the Department of Environmental Quality. The requirements of DEQ include location information for any site that may be a source of pollution. DEQ is also interested in allowing agencies to update their information, but is concerned about the complexity of the project and how one agency's needs would affect requirements of other agencies.
- Eventually, a centralized business facility identity repository may be needed with information about ownership, location, individuals, and operating units and the interrelationship of these elements with regulatory programs of multiple agencies. A unique business identifier that is cross-referenced across agencies and their programs will be necessary to include functionality for online maintenance of information, such as change of address. Achieving this will involve complex process modeling, data modeling, data definitions, and attribute definitions.
- The initial scope of the online business registration system will likely focus on new registrations, in order to avoid the complexities of re-registrations or updating information. A final step of the system for new registrations might be a page with contact information for each agency.
- The system should include an option for getting help with questions about starting a business. DED currently provides this kind of assistance.
- There was considerable discussion about whether to focus on process or data, and whether a central repository of information will be needed. There was also concern about keeping the scope manageable so that at least Phase I moves forward quickly.

E. Review Agency Roles and Processes Relating to Business Registration
Steve Schafer referred to the handout that was distributed with the agenda. He will work with agencies individually to identify functions and other information.

F. Next Steps – Nebrask@ Online will develop a draft set of initial requirements for review by the work group.

G. Set Next Meeting – The next meeting will be the week of September 6, after Labor Day.