

Everett Small Business Roundtable Notes May 28, 2008

Agency	What's Working Topic
*ALL	Services that allow you to obtain information without getting in "trouble" are especially useful. There are a number of these assistance programs available to small businesses (such as SBA, L&I, and ECY pollution prevention). However, it is difficult for to know about all of these as well as other programs, conferences, seminars, etc.
ALL	Online filing and reporting
ALL	Online filing applications – Returns & Payments <ul style="list-style-type: none"> • Easy and quick
ALL	EFT is working well.
ALL	Outreach: Roundtable forums – opportunities to talk with agencies 'face-to-face'
ALL	Small Biz Liaisons <ul style="list-style-type: none"> • Want to hear more from new liaisons
ORA	Business.wa.gov
ORA	Business.wa.gov website working.
DOR	Revenue's electronic reporting of taxes works well
DOR	Free monthly seminars on paying taxes
DOR	Streamlined sales tax workshops
DOR	Website accessibility
DOR	Audits went well; staff conducting audits courteous and knowledgeable
DOR	E-file – easy to use
DOR	New business seminar / outreach to new businesses
DOR	Outreach on sales tax changeNeed to communicate to customers as well – won't understand why tax rates in different locations
DOR	Creating tools to assist taxpayers with the Destination-based sourcing taking effect July 1, 2008
L&I	Labor & Industries Retro (Retrospective Rating) program through L&I works very well and increases safety. www.Retro.Lni.wa.gov
L&I	Consultation program with free, non-regulatory inspections working well. www.SafetyConsultants.Lni.wa.gov
L&I	Internet services offered (EPIS) <ul style="list-style-type: none"> • Permits • Inspection requests, results • Available 24 hours
L&I	L&I is great
L&I	Online tracking of claims; able to see documentation online
L&I	Website has improved, in particular the prevailing wage reporting system.
L&I	Resources for success: Ron Langley – having a single point of contact, quick issue resolution, a person on the other line to flesh out problem
L&I	Online Contractor Registration Information is easy to find and has a lot

	of helpful information – it is a lot better than it used to be
L&I	Holding down medical claim costs
L&I	COHE program
L&I	Contractor training programs
L&I	Comprehensive health and safety inspections
L&I	Online medical claim information
L&I	Use of technology: Electrical permit on-line system is easy to do
L&I	Courteous staff and timely responses to questions
L&I	Easy to estimate industrial insurance premium rates – can look this info up yourself on-line
L&I	Use of technology: Web site is easy to use, has helpful information
L&I and ESD	Fraud hotline is easy to find and use
ESD	Employment Security's WorkSource program very useful tool
ESD	Shared work program is good.
ESD	Audits went well; staff conducting audits courteous and knowledgeable
ESD	Courteous staff and timely responses to questions
ESD	Same – website has improved
ESD	Audit was on time and auditor was very courteous and helpful
OMWBE	Office of Minority & Women's Business Enterprises provides good information
DOL	Department of Licensing has courteous staff and provides timely responses to questions
SBDC	Local presence of Small Business Development Center is satisfactory.
Ecology	Fairly regulating trucking industry.
Ecology	Resources for success: Contacts at DOE are easy to work with
SCORE	The SCORE program through the Small Business Administration (SBA) provides businesses with one-on-one, free, confidential assistance. (www.score.org)
SBA	The Small Business Administration is developing models for specific business sectors.
IRS	The Federal IRS Newsletter on tax issues for small business is a great resource. The calendar is also extremely useful. Contact: Kari Gilje is very helpful
IRS	Small Business Development Center conference in Renton is a great resource for small businesses. It would be beneficial to see more federal and state agencies represented at conferences. (http://www.rtc.edu/CommunityResources/SBDC/)
GA	Access to procurement for government contracts (General Administration was not there – even bigger regional event would be good)

Everett Small Business Roundtable Notes

What's Not Working

Agency	Topic
*ALL	Better publicity for assistance programs. For example, L&I Retro and Consultation services. (A few participants at the table were not aware of these services.)
*ALL	Send new businesses a packet of information about services tailored to their businesses.
ALL	Should be a consistent format for online filing – L&I requires you to go through Secure Access to do online filing
ALL	Taxpayers are receiving too much information through the mail and listservs that isn't relevant to them. Need a way to personalize or filter information so taxpayers only receive information that is specific to their business
ALL	Create a way for taxpayers to distinguish what information, emails, letters, etc., are critical for them to read and what is junk
ALL	Format for all agency communications need to be the same to make it easier for taxpayers to find information relating to them
ALL	Agencies are changing their website formats too often, making it difficult for taxpayers to navigate the sites each time the format changes
ALL	Need better search engines on websites (SEO optimization) and cross-agency searching capabilities
ALL	Would like to see combined agency Industry specific tax guides
ALL	Roundtables should be organized into groups by industry and/or agency.
ALL	Projects solicited by agencies require minimum of 10 yrs in business and are very large for small and/or new businesses (from Adv. Agcy)
ALL	Need more Hispanic/Other language info on websites.
ALL	Need more connections to minority business websites.
ALL	Should have audio content on websites. Should be multilingual.
ALL	Website info should be written to audience not tax practitioners.
ALL	Very confusing to receive info from all agencies when you register as a new business. Would like to see one packet that contains info for all agencies.
ALL	Any agency form should be downloadable.
ALL	Need a tutorial – “What you need to know as a new business owner” <ul style="list-style-type: none"> • What organizations are available to help? • Transition into other business entities i.e. changing from sole prop to a corporation, etc.
ALL	Online Filing – We had people at our table who would prefer a paper copy of their returns.
ALL	Some regulations are not well thought out and impacts to small businesses are not well considered (especially costs).
ALL	Use of technology: For the Web: create cross-agency linkage of key words, so that a user can find additional information/resources by clicking on key words. Good examples would be Westlaw and

	Wikipedia.
ALL	One point of contact for each agency.
ALL	Live bodies to answer questions.
ALL	Open forums with department directors.
ALL	One State UBI # across state agencies.
ALL	Need to communicate all business services together <ul style="list-style-type: none"> • Budget for marketing/advertising, need constant exposure
ALL	Website information should be updated frequently.
ALL, DIS?	Use of technology: It would be nice to standardize all the agencies web sites in such a way that would be easier to navigate through and between all the agencies and have the web sites look and function in a similar manner
ALL (L&I)	Consideration between rural vs. urban environments. System needs to be variable to address the different needs of the different environments.
*OMWBE/ ALL	More outreach to minority owned businesses. In many cases, it appears this could be improved. Also, it is important not to lump all minority groups and services into one category. Example: when preparing an RFP that requires expertise in several language / culture groups, it may not be realistic to think one company can be the most effective with all groups. The state may need to recognize that several companies, rather than one, may be a more successful approach.
*OMWBE /ALL	Language tabs on websites that translate website into another language.
OMWBE	Name of this agency is too cumbersome. Hard to remember.
OMWBE	The process to get set up with this organization took 5 months. Would like see an easier streamlined process.
*CTED, Tech & Comm Colleges, other	Ocean and marine issues and technology need a statewide awareness raising and focus for job development. There are a number of businesses in the future that will occur in this area but there does not seem to be any emphasis or education available in the state regarding this resource. State wide coordination would be useful.
CTED	Department of Community, Trade and Economic Development needs resources for doing business outside of the U.S.
CTED	Business owners are not aware of the services they provide.
ESD	Inconsistent communications that make it difficult for small business.
ESD	Tax rates are static and not lowering like others.
ESD	The way small businesses are charged does not seem to work. Example: premiums increased when 1 staff person was laid-off for one month then rehired. The premium increase was not related to the time the person was unemployed. In the long run, it would have been cheaper to pay the person a salary for that month even though she was not working. Also, this was the only lay-off in 10 years of business.
ESD	Need more incentives to encourage workers to work as opposed to draw unemployment.
ESD	Placing postings on WorkSource <ul style="list-style-type: none"> • Draws recruiters

	<ul style="list-style-type: none"> Concern with high amount of “no shows “ (i.e. had 42 inquiries to a posting, scheduled 4 interviews, only 1 showed up)
ESD	Corporate Officers Law changing – no communication to businesses
ESD	LMEA on website
ESD	No UI exemptions for temp or occasional workers <ul style="list-style-type: none"> Worker doesn't qualify for benefits – but business must pay taxes
ESD	ESD worker advised business to pay under table
ESD	Hard to find “middle” workers -- Have unskilled workers and professionals (engineers) but no skilled laborers
ESD	Bad job applicant referrals from WorkSource
ESD	Agency mistakes are dismissed easily while company mistakes are not and companies are quickly fined.
ESD	Reporting forms do not get sent out from ESD timely. <ul style="list-style-type: none"> This has caused some clients to accrue penalties and interest in some cases. There is a 10% penalty for using a copy of a form rather than the original. Would like to see downloadable forms.
ESD	New law to provide a “trigger” to reduce tax rate when reserve reaches a certain level. ESD has very large reserve right now but businesses are still paying the same rates.
ESD/L&I	Should more plainly detail what posters are required to be posted and when they should be updated. Changes should be coordinated to occur at the same dates.
ESD, L&I	Another option might be to put fees into an investment or annuity type of account. After a company accumulates a certain amount of capital, their payments decrease. If they use the amount, then their payments increase to build up account again.
ESD, L&I	<p>Resources for success: Finding qualified employees, consider apprenticeships (Note: the small business owner that needed employees tried to hire local high school kids from the ‘shop class’ but realized they don't learn the appropriate skills to do the job right. Also, there are strict labor laws with hiring minors.</p> <p>However, the L&I facilitator asked him to consider apprenticeship training, and they talked more about the program off-line. He said he would also look into the local WorkSource office</p>
L&I, ESD	Insensitive to small business needs.
L&I	Rules change is needed due to the Brinks Decision. Potential interpretations could result in employers paying employees from the time they get in the car in the morning (if it is a company car) until they are through with it at night – even if the company car is their only vehicle and more a perk than a formal mode of transportation.
L&I	Worker Compensation also does not seem to take into account the needs of small businesses. Example: after 10 years with no accidents, still paying the same premiums based on potential for accidents. Premium needs to be connected to accident rate. Should be reduced

	for having a good record. Small businesses need relief from fees to re-invest in their business.
L&I	Website – not easy to use; seems broken; would like to be able to search by relevance
L&I	Best website for contacts and information.
L&I Electrical Division	<p>Electrical contractors should not be viewed as common offenders to police and correct, but as partners in the development of both civil safety and an “open for business” community mindset.</p> <ul style="list-style-type: none"> • An approach that honors and promotes outstanding community business service in safety and productivity by electrical contractors. <p>There is a sense of an adversarial approach</p>
L&I Electrical Division	<p>Lack of teamwork building between the electrical inspection department and electrical contractors and home and business owners. Trust is eroding away.</p> <ul style="list-style-type: none"> • Create a schedule of reduced inspections or lower permit fees after completing a set amount of inspections without corrections, or after passing advanced electrical knowledge and skill competitions • Have the privilege of being allowed to advertise as a government certified “Class A” electrical contractor. • Incentives for electrical inspectors to team teach with suitable electrical contractors/journeymen in electrical trade classes would profile safety and trust to electrical trade apprentices or home do-it-yourself installers. <p>Classification of electrical contractors.</p> <p>Fines are excessive</p> <p>Inspection practices take on a form of “entrapment”</p>
L&I Claims	<p>There needs to be more scrutiny of claims</p> <ul style="list-style-type: none"> • Verification of doctor’s restrictions on claims. • Claims should be challenged more by Dept.; <ul style="list-style-type: none"> ○ Consideration of past history of claims should be done (i.e. repeat offenders) • Burden on employer to disprove invalid claims <ul style="list-style-type: none"> ○ Cost is high to go through appeal process. • Need a better employer advocacy approach/program • Determination of claim amount <ul style="list-style-type: none"> ○ Is based on wage at time of injury not always fair (i.e. only worked one week and in training)
L&I	<p>Regulations are too burdensome</p> <ul style="list-style-type: none"> • Difficult to comply with all of them • Should be some accountability with the employee if they have been trained properly. <ul style="list-style-type: none"> ○ (i.e. Heat stress rule)
L&I	Certification levels – Training record keeping burden on employer

L&I	Look at developing a safety certification program that would benefit employer. <ul style="list-style-type: none"> • Help in record keeping • Show certification in an area.
L&I	Need fix to make available online upload of completed training (CE) credits for all trades. Should be available when course is passed. Oregon does this.
L&I	Handling of 3 rd Party Claims – it takes too long for claims to close and assigned to the responsible party. Investigations should occur right away. Non-responsible party's rate and retro status are unfairly affected while waiting for claim process to close.
L&I	Agency should be aware of false claims and not always 'take the employee's side. Businesses feel some of the burden should be on employee.
L&I	TV stations do a better job of investigating fraudulent claims.
L&I	Need better and/or better trained claims investigators.
L&I	Premiums on trucking companies too high.
L&I	Use of technology: Claimant account center is 'technically clumsy' – some documents will not display with current settings.
L&I	Rules & Regs: Small businesses need a WISHA Accident Prevention Plan template that can be tailored to small businesses, industry based.
L&I	Rules & Regs: WISHA should assume 'innocent' until proven otherwise
L&I	Rules & Regs: L&I laws are too 'liberal,' favor workers
L&I	Rules & Regs: Claims that are delayed in reporting the injury or accident should be handled differently in the rating process, i.e. consolidated in their own group, rather than included in the employer's rating period.
L&I	Resources for success: Create an industry fact sheet/or a database of common causes of injuries, industry violations; this would also help employers with workplace safety if they knew what common causes were
L&I	Third party claims – can't get help from L&I and they make the employer feel guilty
L&I	Many taxpayers are concerned about speaking out to a claims manager in fear of being punished or retaliated against
L&I	Agency is too focused on enforcement and not enough on education
L&I	New business owners only find out about DOSH when an inspector shows on the jobsite and they are cited for something. None of the business owners on this table knew about the consultation services L&I provides.
L&I	Rules & Regs: Safety inspectors should be required to make recommendations such as, how to fix violation(s)
L&I	More L&I workshops, Tukwila too far away <ul style="list-style-type: none"> • Need help hiring workers
L&I and DOL	Rules & Regs/Use of technology: Need a centralized licensing system so that businesses don't have to go through multiple state/county/city licenses to conduct business (Note: the group wanted a central system that would not only issue a business license, but to let the appropriate state agencies, the county, city in which they lived in know that they were a small business owners).

DOL/DOR ?	Rules & Regs: Fuel surcharge is out of whack/out of sync
*DOR	Simplify Business & Operation taxes/licenses. One city might require a license just to deliver goods to their community. Requirements vary from city to city. Someone needs to convene talks to develop consistency across cities and counties. Make "municipal tax fairness law" mandatory. Need requirement to combine business licenses across jurisdictions.
*DOR	Sales tax allowance for businesses that collect sales taxes. Businesses spend a great deal of time collecting and submitting sales tax to the state. Other states allow businesses to keep a portion of the sales tax to cover their costs.
DOR	Searching for answers on website results in legalese answers (rules and laws). Want summaries in Plain Talk.
DOR	B&O tax is on gross. Onerous on small or new businesses.
DOR	Only state with sales tax on buildings (labor). Hard to attract businesses from out of state.
DOR	Rules & Regs/Use of technology: Location codes – difficult to figure out sales tax, even with the computer software. Can't we just have one tax rate, regardless of location, to facilitate ease in reporting?
DOR	Destination sales tax is onerous. There are too many tax rates to track across the country.
DOR	Would like to see more individual industry tax guides
DOR	Need a small business packet that can be sent to all new business owners including info on: <ul style="list-style-type: none"> • Sales tax / use tax • Record keeping • Purchasing equipment • Resale • Leasing <p>Would like to see mandatory training and outreach for new business owners. Also would like to suggest a record keeping webinar.</p>
DOR	Should regulate WA state businesses that purchase products out of state specifically to avoid paying WA state sales tax. Some competitors do not report their out of state purchased goods so it's as if they are receiving a break.
DOR	Have called the 1-800 call center with questions regarding taxes. Frequently get, "I don't know" as an answer with no offer to research and return phone call.
DOR	<i>More work needs to be done on local business license and local B&O tax requirements relative to Streamlined Sales Tax (determining nexus)</i>
DOR	Broad range of fees & B&O tax for each city <ul style="list-style-type: none"> • Small amounts exempted • Would help when occasional business is in a city • Very time consuming & expensive
DOR	Need tax breaks for new business to help them survive
DOR	Doesn't know about DOR QuickBooks download

DOR	Explain why B&O based on revenue rather than profits
DOR	Need larger B&O tax credit for new business. Net tax would be better solution Leniency on tax deadlines <ul style="list-style-type: none"> • For new businesses, first 5 years often have to pay tax before revenue comes in
DOR	“Streamlined” sales tax a misnomer <ul style="list-style-type: none"> • Causing confusion
Ecology	Industry input on regulations before they become law.
Ecology	Rules & Regs: 72 hr rule – streamline the system, want an online application and payment option
Ecology	Start cards require 72 hour notice and there is no electronic payment.
Ecology	Bring Ecology to roundtables next year
Ecology	Miscellaneous: Some of the group objected to having the DOE using state resources to both measure water resources and take the stand that there is insufficient water available.
DSHS	Process for validating SSN when payroll is garnished and SSN comes back as invalid. A lot of leg-work with no results.
Higher Ed.	Need more affordable English as a Second Language (ESL) classes
Legislature	Outreach: Lack of legislative presence at the roundtables (note: I did tell the group that legislators were invited to attend)
ORA	Business.wa.gov <ul style="list-style-type: none"> • More detail on business assistance, especially on minority/women
ORA	ORA should focus on streamlining registration, not just assist carrying them out (like Fed Gov’t) & State of NY
ORA	One stop web portal that provides state/federal info by topic
ORA	Biz.wa.gov website is pretty good.
DIS	Access.wa.gov hard to recall <ul style="list-style-type: none"> • Washington.gov would be better
OMWBE	Diff. OMWBE certification criteria causes confusion and extra work <ul style="list-style-type: none"> • State vs. City of Seattle
OMWBE	OMWBE doesn’t handle veterans and Vets Affairs not prepared to handle (slowly improving)
OMWBE	Web and non website to walk business owner through OMWBE certification process
OMWBE	OMWBE should be uniform certification for all state and cities <ul style="list-style-type: none"> • Now has to certify multiple times to be a vendor
Local Gov	Broadly varying fees between cities & counties <ul style="list-style-type: none"> • King County very expensive, county says it is the only way to get revenue
Local Gov	City B&O taxes variable, some on want % of gross, some on hours worked in the city <ul style="list-style-type: none"> • Issaquah especially- taxes on all gross revenue
Local Gov	Cities don’t recognize veterans
Veterans Affairs	New web presence to help vets effectively
IRS	More workshops and outreach to small businesses.
	Now have to register with many agencies to get needed info

	WA CASH a good program (micro loans) – but only in Seattle
	Rules & Regs: Change the law so Washington can sell ‘automatic weapons,’ which in this case means switchblades, not guns, so that local law enforcement and fire departments can purchase for use on-the-job. (Note: I talked to this constituent about contacting her state legislators and walked her through that process)
	Lack of training about financing for growth or being “bankable” is one of the major reasons for small business failure. More instruction and assistance with financial planning for small businesses is needed.
	WASL feeds fewer kids through “vo-tech” centers, shortage of skilled labor
	Need asst. w/training & education of workers
	Assist with language barriers, especially Korean. Lots of restaurant owners not following rules/paying taxes, driving legit owners out of business
	Break bid projects into smaller pieces so small business can handle (Fire Suppression systems) <ul style="list-style-type: none"> • Different standards in different cities
	RTA tax <ul style="list-style-type: none"> • Difficult to determine when tax does or doesn’t apply
	More Outreach – Use multiple modes <ul style="list-style-type: none"> • Use business journal column • Use Mail addresses on UBI list
	Taxes & fees should be subject to SBEIS <ul style="list-style-type: none"> • Both direct cost and cost of implementation
	Make SBEIS easily available on web sites
	New Women’s Business Center <ul style="list-style-type: none"> • Change name to recognize that they work w/minorities too

* = items table identified as most important