

HB 4101 A STAFF MEASURE SUMMARY

House Committee On Economic Development and Small Business

Action Date: 02/15/24

Action: Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)

Vote: 6-4-1-0

Yeas: 6 - Bynum, Lively, Nguyen D, Pham H, Ruiz, Walters

Nays: 4 - Diehl, Elmer, Osborne, Yunker

Exc: 1 - Javadi

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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Meeting Dates: 2/6, 2/15

WHAT THE MEASURE DOES:

The measure requires the Secretary of State (SOS) to collect specified information when registering a business; sharing of this information would be voluntary. The measure takes effect on the 91st day following adjournment sine die.

Detailed Summary:

The measure requires the Secretary of State (SOS) to collect information about the ethnicity, gender, and veteran status of each owner and principal who applies, updates, or renews a business registration. Prohibits SOS from mandating that a person provide this information as a condition of applying for, renewing, or updating a registration. Identifies the purpose of the SOS Business Registration Information Center as sharing the information collected about ethnicity, gender, or veteran status with other state agencies; small business development centers; and organizations that are community based, foster economic development, and engage in efforts to increase the number of minority owned business, woman owned businesses, and veteran owned businesses. Prohibits the SOS from making this information available or searchable on the internet without explicit written consent. Specifies that information is not subject to disclosure as a public record. Operative date of the measure provisions is January 1, 2026. Takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Voluntary disclosure of personal information
- The government's use of the personal information

EFFECT OF AMENDMENT:

The amendment makes the operative date of the measure January 1, 2026, and makes other technical changes.

BACKGROUND:

During the 2023 session business associations asked that more information be collected by the Secretary of State's office in the business registration process and that demographic and contact information would then be shared with qualifying associations. This measure is a continuation of the work done on [House Bill 3272](#).