

## HB 3588 STAFF MEASURE SUMMARY

### House Committee On Economic Development, Small Business, and Trade

**Prepared By:** Mary Mackie, LPRO Analyst

**Meeting Dates:** 3/17, 4/7

#### WHAT THE MEASURE DOES:

The measure directs the Secretary of the State to study the effect of requiring physical street addresses for business registrations, in light of changes to postal regulations. It requires them to send a report to the Legislative Assembly by September 15, 2026, and repeals these requirements on January 2, 2027.

- *FISCAL: May have fiscal impact, but no statement issued yet.*
- *REVENUE: May have revenue impact, but no statement issued yet.*

#### ISSUES DISCUSSED:

- How other states regulate Commercial Mail Receiving Agencies (CMRAs)
- Impact of updates to United State Postal Service (USPS) regulations

#### EFFECT OF AMENDMENT:

No amendment.

#### BACKGROUND:

Current law requires businesses to include physical street address when they register with the Secretary of State. The physical address may not be a Commercial Mail Receiving Agencies (CMRAs), mail forwarding service, or virtual office. House Bill 2191 (2017) enacted these changes, aiming to prevent shell companies from conducting illegal activities in the state. In 2023, the United State Postal Service (USPS) updated its regulations to broaden the definition of CMRAs, classifying certain types of like co-working spaces as CMRAs. Due to this change, an increasing number of businesses have been unable to register at their office location because they receive mail through a shared system. Some business owners are using their home addresses, which raises privacy concerns. House Bill 3588 directs the Secretary of the State to study the effect of requiring physical street addresses for business registrations in light of these changes.