

Multiple Agency Fiscal Note Summary

Bill Number: 2897 S HB	Title: Tolls: collection, use, etc.
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Estimated Cash Receipts

Agency Name	2009-11		2011-13		2013-15	
	GF- State	Total	GF- State	Total	GF- State	Total
Department of Transportation	Non-zero but indeterminate cost. Please see discussion."					
Total \$	0	0	0	0	0	0

Local Gov. Courts *	Non-zero but indeterminate cost. Please see discussion.					
Local Gov. Other **						
Local Gov. Total						

Estimated Expenditures

Agency Name	2009-11			2011-13			2013-15		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Administrative Office of the Courts	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Office of Financial Management	.0	0	0	.0	0	0	.0	0	0
Department of Licensing	.0	0	195,750	.0	0	0	.0	0	0
Department of Transportation	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Transportation Commission	.0	0	0	.0	0	0	.0	0	0
Total	0.0	\$0	\$195,750	0.0	\$0	\$0	0.0	\$0	\$0

Local Gov. Courts *	Non-zero but indeterminate cost. Please see discussion.								
Local Gov. Other **									
Local Gov. Total									

Estimated Capital Budget Impact

Agency Name						
Total \$						

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID 26502

FNS029 Multi Agency rollup

Prepared by: Clint McCarthy, OFM	Phone: 360-902-0419	Date Published: Final
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

Judicial Impact Fiscal Note

Bill Number: 2897 S HB	Title: Tolls: collection, use, etc.	Agency: 055-Admin Office of the Courts
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost. Please see discussion.

Estimated Expenditures from:

Non-zero but indeterminate cost. Please see discussion.

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.

Contact	Phone:	Date: 02/15/2010
Agency Preparation: Julia Appel	Phone: (360) 705-5229	Date: 02/17/2010
Agency Approval: Dirk Marler	Phone: 360-705-5211	Date: 02/17/2010
OFM Review: Cherie Berthon	Phone: 360-902-0659	Date: 02/17/2010

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact on the Courts

The following has been updated to reflect the changes in the substitute bill. However, those changes do not affect the fiscal impact.

It is assumed for the purposes of this fiscal note that the primary fiscal impact of this bill will be related to the future tolling of the SR 520 Bridge in King County and to the current tolling of the Tacoma Narrows Bridge in Pierce County.

Section 1 amends RCW 47.56.010 and Section 2 amends RCW 47.46.020 to define a Photo Toll and a Toll Payment Due Date which is the date a toll must be paid to avoid a toll violation, 80 days from the date a toll was assessed.

Section 3 creates a new section under chapter 47.56 RCW (State toll bridges, tunnels, and ferries), to provide that an infraction may be issued under RCW 46.63.030 and 46.63.160 for failure to pay a photo toll by the toll payment due date.

Section 4 amends RCW 47.46.105 (Tolls - collection) to provide that an infraction may be issued under RCW 46.63.030 and 46.63.160 for failure to pay a photo toll by the toll payment due date, a violation under RCW 46.63.160.

Section 6 amends RCW 46.63.160 to provide under subsection (3) that a notice of infraction may be issued when a toll is assessed through the use of a photo toll system and the toll is not paid in 80 days. Subsection (4) provides that a notice of infraction may be issued by a limited authority Washington peace officer as defined in RCW 10.93.020. Subsection (7) provides that the penalty for toll nonpayment detected through a photo toll system is \$40 and that \$1 of the infraction penalty amount must be forwarded to the state treasurer for deposit in the judicial information system account (JIS). The court may not waive, reduce, or suspend the \$1 that is allocated to the JIS account. The toll penalty is \$12 and may not be reduced.

Section 7 amends RCW 46.63.075 to remove photo toll system infraction cases from the provisions related to a prima facie presumption that the registered owner of the vehicle was the person in control of the vehicle at the time of the violation, and how that presumption may be overcome.

Section 10 amends RCW 46.61.690 (Violations relating to toll facilities) to include an infraction for displaying an obscured or altered vehicle license number and to provide that subsection (1)(a), relating to failure to pay a toll, does not apply to toll nonpayment detected through photo toll systems under RCW 46.63.160.

II. B - Cash Receipts Impact

SR 520 Bridge – King County

Because this bill creates an entirely new process for toll administration, it is difficult to accurately predict infraction filing rates or how the rates will fluctuate from year to year. The Department of Transportation (DOT) estimates the volume of infraction filings related to toll payment violations on the 520 Bridge could average at least 5,000 per day. That translates to approximately 1,825,000 infractions annually for maximum potential revenue of \$94,900,000 at \$52 per violation. However, because infractions will be filed only after violators have been billed and the bills remain unpaid after 80 days, it is assumed that only 30% of the total potential revenue will be received as not all infractions will be found committed and not all penalties will be paid.

It is projected that tolling of the SR 520 Bridge will start on March 19, 2011. It is assumed that the revenue stream will start two months from the toll payment due date of the initial infractions. It is assumed that the revenue stream will increase gradually over the first year after tolling starts—10% in the first quarter, 20% in the second and third quarter, and reaching the maximum potential revenue of 30% in the fourth quarter.

This will result in the following potential annual revenue (if there are 5,000 infractions per day):

Year 1

\$14,235,000 King County (based on \$39 of the \$40 infraction penalty)

\$4,380,000 State Toll Account (based on the \$12 toll penalty)

\$365,000 State JIS Account (based on \$1 of the \$40 infraction penalty)

Year 2

\$21,352,500 King County (based on \$39 of the \$40 infraction penalty)

\$6,570,000 State Toll Account (based on the \$12 toll penalty)

\$547,500 State JIS Account (based on \$1 of the \$40 infraction penalty)

Tacoma Narrows Bridge – Pierce County

Annual infraction revenue to Pierce County from toll bridge infraction penalties is approximately \$2,200,000. It is assumed that this would be reduced by approximately \$55,000 which would be deposited into the State JIS Account starting on the effective date of this bill.

If photo toll bills, with a 80-day grace period, are issued to Tacoma Narrows Bridge toll violators, it is possible that the infraction filing rate will be reduced from current levels (with no grace period). It is not possible to predict the resulting cash receipt reduction.

Section 7, excluding toll payment violations from the provisions allowing an owner to provide a statement that the vehicle was under the control of another person, may result in a change to the filing and/or hearing rate in Pierce District Court. It is not possible to predict the cash receipts impact.

II. C - Expenditures

SR 520 Bridge – King County

King County Ongoing Costs:

The most significant expenditure impact is related to tolling on the 520 Bridge which is expected to begin in March 2011, resulting in a more than 12-fold increase in infraction processing volume in King County District Court.

According to DOT, there will be at least 5,000 infraction filings daily. (It is unknown if this filing rate will fluctuate in the future.) That is approximately 1,825,000 filings in the first year. To put this in perspective, this is close to the current annual volume of infraction and parking filings for the entire state of Washington. King County District Court processed approximately 144,000 traffic, non-traffic, and parking infractions in 2008.

Based on input from King County District Court, it is assumed that each infraction will take an average of 3.5 minutes non-judicial time to process. It should be noted that this is a low-end estimate that assumes new and efficient technology is utilized. Based on the infraction volume, this will require 86.5 court FTEs. It is assumed that 5% of the cases (91,250) will go to mitigation, and 5% of the cases will go to contested hearings. Based on best practice hearing rates, these hearings will result in the need for 8.5 judicial officers (court commissioners).

The above scenario would result in the total annual costs to King County of \$7,987,934 starting in FY 2012 as follows:

\$6,772,342 Salary/Benefits

\$1,192,323 Overhead Costs (Facilities overhead and operating costs, IT, telephone, supplies, copiers, postage)

\$23,269 Other Costs (Interpreters)

King County Startup Costs:

Since a notice of infraction cannot be issued until a sixty day billing period passes, it is assumed that infraction processing will lag eight weeks behind the initial tolling. If tolling starts in late March 2011, then infraction filings and subsequent court hearings are assumed to

start in late June 2011.

It is assumed that King County will incur startup costs of at least \$944,939 for facilities overhead/operating costs, cubicle furnishings, information technology, copiers, telephone setup, and office supply costs. Startup costs for leased space and existing courthouse space, including tenant improvements for tolling operations, will be approximately \$931,685. Startup costs for salary and benefits for three months will be approximately \$1,693,085. Startup costs will be incurred primarily in FY 2011. In addition, approximately \$45,000 salary and benefits costs will be incurred in FY 2010 and \$90,000 in FY 2011 for a project manager to handle facilities, recruitment, procedure writing, and contracts.

Total King County startup costs will be \$45,000 in FY 2010 and \$3,659,709 in FY 2011.

State Costs:

Training and Education:

Training for court administrative staff would be provided by the Administrative Office of the Courts (AOC). The curriculum would include JIS case filing and maintenance (3-day course), and JIS photo enforcement case processing (1-day course). Court staff will be trained at an AOC facility. The cost will be \$16,117. Judicial Officers are required to attend Judicial College. Faculty costs, travel, lodging, and materials costs will be \$21,542. The total cost to the state for training and education in FY 2011 will be \$37,659.

Judicial Information System (JIS):

To enable the efficient processing of this volume of toll payment violations, together with the associated accounting and revenue distribution requirements, extensive updates to JIS will be necessary to create a new vehicle-based violation system. A project of this scale requires an initial feasibility study at a projected one-time cost to the state of \$300,000 which will be incurred in FY 2010. The results of the study will allow a more accurate projection of implementation costs for the new system, but it is assumed that there will be a total one-time cost to the state in FY 2011 of approximately \$3,000,000. In addition there will be ongoing maintenance costs for the new system, expected to be about 20% of the build/purchase costs, for an annual total of approximately \$600,000.

Accounting and Revenue Reconciliation:

Due to the anticipated high volume of infractions, a fiscal analyst at the AOC will be required for the additional accounting and revenue reconciliation activity. This position will track revenue collections, assist in forecasting future collections, reconcile the case management accounting system with revenues transferred to and deposited by the State Treasurer, develop and maintain accounting manual instructions, develop and maintain revenue account codes, and assist courts with implementation issues and general questions. Expenditures for this position will total \$29,149 in 2010, \$76,948 in 2011, and \$77,448 in 2012.

Tacoma Narrows Bridge – Pierce County:

It is possible that the number of infractions filed could decrease if an initial toll bill is sent and the customers have 80 days in which to pay before an infraction is issued. However, there is no data to predict the possible change in expenditure impact to Pierce County.

Section 7, excluding toll payment violations from the provisions allowing an owner to provide a statement that the vehicle was under the control of another person, may result in a change to the filing and/or hearing rate in Pierce District Court. It is not possible to predict the expenditure impact.

Expenditure Totals:

FY 2010
\$329,149 State

\$45,000 County

FY 2011

\$3,714,607 State

\$3,659,709 County

FY 2012

\$677,448 State

\$7,987,934 County

Part III: Expenditure Detail

Part IV: Capital Budget Impact

Individual State Agency Fiscal Note

Bill Number: 2897 S HB	Title: Tolls: collection, use, etc.	Agency: 105-Office of Financial Management
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Part I: Estimates

☒ No Fiscal Impact

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

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- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 02/15/2010
Agency Preparation: Stephanie Lidren	Phone: 360-902-3056	Date: 02/16/2010
Agency Approval: Aaron Butcher	Phone: 360-902-0406	Date: 02/16/2010
OFM Review: Cheri Keller	Phone: 360-902-0563	Date: 02/16/2010

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Part IV: Capital Budget Impact

Individual State Agency Fiscal Note

Bill Number: 2897 S HB	Title: Tolls: collection, use, etc.	Agency: 240-Department of Licensing
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT					
Total \$					

Estimated Expenditures from:

	FY 2010	FY 2011	2009-11	2011-13	2013-15
Account					
Motor Vehicle Account-State 108 -1	31,320	164,430	195,750	0	0
Total \$	31,320	164,430	195,750	0	0

Estimated Capital Budget Impact:

Total \$					

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

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- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 02/15/2010
Agency Preparation: Don Arlow	Phone: (360) 902-3736	Date: 02/17/2010
Agency Approval: Sam Knutson	Phone: (360) 902-3644	Date: 02/17/2010
OFM Review: Alyson Cummings	Phone: 360-902-0576	Date: 02/17/2010

Request # 2897 S HB-1

Bill # 2897 S HB

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years					
E-Goods and Services	31,320	164,430	195,750		
Total:	\$31,320	\$164,430	\$195,750	\$0	\$0

III. C - Expenditures By Program (optional)

Program	FY 2010	FY 2011	2009-11	2011-13	2013-15
Information Services (200)	31,320	164,430	195,750		
Total \$	31,320	164,430	195,750		

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Part II: Explanation

This bill addresses electronic toll collection and photo tolling systems, permitted methods for payment of tolls and penalties for failure to pay a toll.

Substitute compared to original: The substitute bill establishes certain requirements for the Washington State Department of Transportation related to records, toll accounts and administrative fees. These changes do not have an operational or fiscal impact on the department.

II. A – Brief Description of What the Measure Does that Has Fiscal Impact

Sections 1 and 2 amend RCW 47.56.010 and RCW 47.46.020 to add various definitions, including that a “photo toll” means a toll charge associated with a specific vehicle and that a toll bill is sent to the registered owner of a vehicle.

Sections 3 and 4 create a new section under Chapter 47.56 RCW and amend Chapter 47.46 RCW to define a tolling system and the administrative procedures of the system. It includes language that states that if a toll payment is not paid it is a violation under RCW 46.63.030 (Notice of traffic infraction – issuance – abandoned vehicles) and RCW 46.63.160 (Toll collection system - Photo enforcement system).

Section 5 amends RCW 46.63.030 to change the reference to an enforcement system to toll system.

Section 6 amends RCW 46.63.160 to change the administrative procedures for a toll system. It defines that the toll infraction may be issued by a limited authority Washington peace officer as defined in RCW 10.93.020. The agency responsible for tolling will determine who the peace officers are. The infraction issued through a toll system must be issued to the registered owner and is not part of the driving record but is considered a parking infraction.

Section 10 amends RCW 47.61.690 to state that the driver of the vehicle displaying plates that are altered in subject to a traffic infraction.

Section 11 establishes an effective date of January 15, 2011.

II. B – Cash Receipt Impact

None

II. C – Expenditures

This bill will have an impact on department expenditures. The Department of Transportation’s vendor will send toll bills to customers, after verifying address information for the vehicle’s registered owner and determining if the vehicle has a newer owner. If unpaid, they become violations, declared traffic infractions and become subject to court procedures. If unpaid, and the vehicle now has two such infractions or a combination of an infraction under this bill and an unpaid parking ticket, the court will send them into the department’s Parking Ticket System.

A new web service will be developed to provide data needed for tolling inquiries. We anticipate 100,000 inquiries a day to get registered vehicle owner information. The department’s Parking Ticket System will be modified and upgraded to streamline the process of receiving data from the courts. We anticipate 5,000 tickets per day from the courts when tolling violations become unpaid traffic infractions.

These two components will require contracted programmer support. Two months of contractor time in Fiscal Year 2010 and ten and one-half months of contractor time in Fiscal Year 2011 will be obtained. A contractor costs \$15,660 per month.

Part III: Expenditure Detail

III. A – Expenditures by Object or Purpose

	FY 10	FY 11	09-11 Total	11-13 Total	13-15 Total
FTE Staff Years					
Goods and Services	31,320	164,430	195,750		
Other					
Total	31,320	164,430	195,750		

III. A (1) – Detail of Expenditures by Sub-Object for Goods & Services

Object E Breakdown:	<u>FY 10</u>	<u>FY 11</u>	<u>09-11 Total</u>	<u>11-13 Total</u>	<u>13-15 Total</u>
ER DP Cont Programmers	31,320	164,430	195,750		
Total Goods & Svcs	31,320	164,430	195,750		

III. A (2) – Detail of Expenditures by Fund

Additional information about assumptions and impacts is available directly from the Department of Licensing at 902-3644.

III. B – Expenditures by Program (optional)

Program	FY 10	FY 11	09-11 Total	11-13 Total	13-15 Total
100 - Mgmt & Support Services					
200 - Information Services	31,320	164,430	195,750		
300 - Driver & Vehicle Services					
600 - Driver Policy & Planning					
700 - Business & Professions					
<i>Total</i>	31,320	164,430	195,750	-	-

Part IV: Capital Budget Impact

None

Part V: New Rule Making Required

None

Individual State Agency Fiscal Note

Bill Number: 2897 S HB	Title: Tolls: collection, use, etc.	Agency: 405-Department of Transportation
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost. Please see discussion.

Estimated Expenditures from:

Non-zero but indeterminate cost. Please see discussion.

Estimated Capital Budget Impact:

Total \$						

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

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- ☐ Capital budget impact, complete Part IV.
- ☒ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 02/15/2010
Agency Preparation: Mia Waters	Phone: 206-464-1209	Date: 02/18/2010
Agency Approval: Craig Stone	Phone: 206-464-1222	Date: 02/18/2010
OFM Review: Clint McCarthy	Phone: 360-902-0419	Date: 02/18/2010

Request # 10-080-1

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

This proposal would clarify and modify tolling processes and procedures to support the state's move towards all-electronic toll collection. Some of the changes in the proposal are: increasing the number of days during which a driver may pay a toll before an infraction is committed; changing the authority to issue the notice of infraction to be by a "limited authority washington peace officer;" identifying/reinforcing privacy requirements for users (not allow electronic tolling information for purposes other than tolling enforcement); assigning one dollar of the \$40 "infraction" amount to the judicial information system account; assigning a "toll penalty" of \$12, that cannot be reduced by the courts, to the department; and directing all receipts into the central toll account from which distributions for both revenue and expenditures will be made to receiving toll facility accounts. This proposal would allow the transportation commission to adopt rules relating to the assessment of administrative fees as appropriate for toll collection processes. Proposed fees may not exceed toll collection costs. This proposal would also clarify tolling definitions.

These changes are needed to adapt to the more widespread use of new technology and to permit the central toll account to perform clearinghouse functions. This proposal is not expected to change either previously projected revenues or appropriated costs to the department. This act would take effect January 15, 2011.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

(Sections 3 and 4) Electronic tolling is already legal in Washington State. This bill clarifies definitions and allows for photo tolls (another means of prepaid tolling). The SR 520 corridor revenue projections already assumed that revenue would be collected entirely through electronic means of photo tolls and transponders and will not use cash payments. It is possible that there may be a differential rate of collection between users with transponder accounts as compared to those with prepaid license plate accounts (photo tolls), but administrative fees will be set to cover the cost of toll collection processes and would offset any such difference.

(Sections 3 and 4(6)) The department assumes that it currently has authority to assess an administrative fee for SR520 as a result of the passage of Chapter 472, Laws of 2009 (ESHB2211). This proposal would allow the Commission to assess an administrative fee for the Tacoma Narrows Bridge (TNB) and SR167 HOT lanes, as well as future toll facilities. Currently, neither the SR167 HOT lanes nor the TNB conduct photo tolling or collect administrative fees.

For the purpose of this fiscal note, the department will provide estimated cash receipt for assessing an administrative fee for pay-by-plate transactions on SR520. Based on the traffic and toll rate assumptions for scenario 7, assessing an administrative fee is estimated to produce a total of approximately \$48 million for fiscal years 2010 through 2019. The fees would cover the vendor operation cost, which includes operations of photo and video equipment, billing systems, and other administrative functions, as well as returned check fees and mailed statement costs. State operation costs include license plate verification and address lookups. Based on the traffic and toll rate assumptions for scenario 7, cash receipts are estimated to be (see attachment A for additional information):

Fiscal Year	Fee Revenues for Vendor Operations	Fee Revenues for State Operations
2010	\$ 0	\$ 0
2011	\$ 1 million	\$ 0.3 million
2012	\$ 6 million	\$ 0.7 million
2013	\$ 7 million	\$ 0.5 million
2014	\$ 7 million	\$ 0.5 million
2015	\$ 6 million	\$ 0.5 million
2016	\$ 4 million	\$ 0.5 million
2017	\$ 4 million	\$ 0.5 million
2018	\$ 4 million	\$ 0.5 million
2019	\$ 4 million	\$ 0.6 million

10-yr Total \$ 43 million \$ 4.6 million (combined total \$48 million)

(Section 6) The registered owner or renter of a vehicle that uses the facility will have 80 days to pay the toll before a notice of infraction is issued. This change in number of days is intended to allow better application of postpaid billing of tolls and increase the number of tolls paid before being referred to the court system. This assumption to provide ample opportunity to pay prior to notice of infraction has already been factored into SR 520 revenue projections.

(Section 6, subsection 7) There are two changes to current law related to "infractions" and "toll penalties". The first change is that one \$1 of the \$40 "infraction" amount is directed to providing the courts with automated systems. There is no overall change to the \$40 infraction charge in this proposal; however, the \$40 infraction amount could be lowered on a case by case basis for each violator subject to court approval. The second change is a redefinition of the "toll penalty" that is added to the infraction charge. The penalty has changed from "three times the cash toll for a standard passenger car" to "\$12". This toll penalty may not be reduced by the courts. On TNB, three times today's cash toll is \$12. In the future, as TNB tolls increase, there could be a slight loss of revenue, but the amount and timing of such changes is unknown. If a toll facility user fails to pay multiple toll assessments, then the infraction cost and added toll penalty would be applied to each incidence of toll facility use. For example, if a person traveled on a toll facility two times for a round trip and failed to pay for both uses within 80 days, the total assessed infractions would be up to $40 \times 2 = \$80$; and the total assessed toll penalties would be $12 \times 2 = \$24$, for a total cost of up to \$104.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

The department was appropriated approximately \$58 million in the 2009-11 Transportation Budget to implement tolling on the SR 520 corridor. This proposal would not alter the assumptions that were used to develop that budget; therefore, there is no change to the amount of appropriation authority that is needed.

(Section 3 and 4) This section allows for both transponder and license plate lookup technologies to be used to collect tolls. The Customer Service Center RFP issued by WSDOT assumes that both technologies will be used. This is not a change to estimated expenditure assumptions, so there's no change in expected costs. This section also provides for privacy of collected information about vehicles, requiring that such information can only be used for toll collection

purpose, which eliminates the liability and potential cost of staffing to provide information for other non-toll related reasons.

(Section 3 and 4(6)) Costs would be incurred by the state and toll vendor for photo toll operations, regardless of whether or not fees are collected to offset these costs. Vendor costs are assumed to include operations of photo and video equipment, billing systems, and other administrative functions, as well as returned check fees and mailed statement costs. State operations costs are assumed for license plate verification and address lookups.

Based on the traffic and toll rate assumptions for scenario 7, the combined vendor and state operations costs are estimated to be \$48 million for fiscal years 2010 through 2019. The program currently has appropriation authority for these expenditures, which are estimated to be (see attachment A for additional information):

Fiscal Year	Costs related to Vendor Operations	Costs related to State Operations
2010	\$ 0	\$ 0
2011	\$ 1 million	\$ 0.3 million
2012	\$ 6 million	\$ 0.7 million
2013	\$ 7 million	\$ 0.5 million
2014	\$ 7 million	\$ 0.5 million
2015	\$ 6 million	\$ 0.5 million
2016	\$ 4 million	\$ 0.5 million
2017	\$ 4 million	\$ 0.5 million
2018	\$ 4 million	\$ 0.5 million
2019	\$ 4 million	\$ 0.6 million
<hr/>		
10-yr Total	\$ 43 million	\$ 4.6 million (combined total \$48 million)

(Section 6, subsection 4) This section allows a notice of infraction to be issued by a "limited authority washington peace officer." In the fiscal note that was attached to ESHB 2211, WSDOT already included a request for "positions that will be paid for by fees." Appropriation authority was given in the 2009-2011 Transportation Budget for the B5 (SR 520) program. The limited authority peace officer would be one of the positions paid for by fees.

(Section 9) The central toll account is established to serve a clearinghouse function. Both interest earnings and toll revenues can be allocated to receiving toll accounts based on an equitable methodology. This is not anticipated to have any effect on expenditures.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Sections 3(6) and 4(6) identify that the Transportation Commission may adoption rules to assess administrative fees for toll collection processes. Such fees may not exceed toll collection costs.

ATTACHMENT A**SR 520 Toll Traffic & Revenue Projections — Annual Transactions, Gross Revenue, and Net Revenue — FY 2010-56****Option 2A.1****Scenario 7B Mid (09-11 Adj)****Tolling Begins:****April 1, 2011****SR 520 Floating Bridge, Landings & Eastside (1-29-10)**

Fiscal Year	Weighted Average Bridge Toll Rate (one-way) ¹	Annual Bridge Toll Transactions (millions) ²	Pass Car Equiv Bridge Volumes (millions) ³	Gross Toll Revenue Potential (\$ millions) ⁴	Vendor Ops	State Ops	Adjusted Gross Toll Revenues (\$ millions)	Less: Credit Card Fees (\$ millions) ⁸	Less: Toll Collection O&M Costs (\$ millions) ⁹	Less: Add'l Collection & Transponder Costs (\$ millions)	Less: Routine Facility O&M Costs (\$ millions) ¹⁰	Less: Bridge Insurance Premium (\$ millions)**	Less: Sales Tax Deferral Repayment (\$ millions) ¹¹	Net Toll Revenue Before Periodic R&R Costs (\$ millions)	Less: Periodic Rehab & Repair Costs (\$ millions)	Net Toll Revenue After Periodic R&R Costs (\$ millions)	FY 2011 NPV of Net Revenue Before R&R @ 6.5% (\$ millions)
					Plus: Pay-by-Plate Fee Revenue (\$ millions) ⁵	Plus: Add'l Pay-by-Plate Fee Revenue (\$ millions) ⁶											
2010										(0.87)				(0.87)		(0.87)	(0.93)
2011	\$2.38	5.05	5.18	12.31	1.42	0.31	8.01	(0.35)	21.68	(0.79)	(14.19)	(8.31)		(1.61)		(1.61)	(1.61)
2012	\$2.44	21.02	21.54	52.48	5.90	0.65	6.35	(1.48)	63.90	(2.04)	(14.73)	(7.00)		40.14		40.14	37.69
2013	\$2.50	23.89	24.48	61.12	6.72	0.49	1.62	(1.71)	68.24	(2.36)	(16.01)	(2.11)		47.76		47.76	42.11
2014	\$2.56	26.45	27.10	69.37	7.45	0.50	1.66	(1.93)	77.04	(2.67)	(17.20)	(2.16)		55.01		55.01	45.54
2015	\$2.62	27.65	28.34	74.35	6.11	0.51	1.70	(2.02)	80.65	(2.79)	(16.09)	(2.21)		59.55		59.55	46.29
2016	\$2.69	27.83	28.52	76.71	4.45	0.52	1.75	(2.04)	81.38	(2.82)	(18.53)	(2.27)		57.76		57.76	42.16
2017	\$2.92	28.38	29.04	84.77	4.20	0.54	1.79	(2.24)	89.06	(3.09)	(15.96)	(2.33)	(6.61)	58.58		58.58	40.14
2018	\$2.99	30.10	30.80	92.17	4.09	0.55	1.83	(2.42)	96.22	(3.34)	(17.23)	(2.38)	(6.78)	63.99		63.99	41.18
2019	\$3.07	30.33	31.04	95.19	3.76	0.56	1.88	(2.49)	98.90	(3.43)	(15.97)	(2.44)	(6.95)	67.61		67.61	40.86
2020	\$3.14	30.57	31.28	98.32	3.41	0.58	1.93	(2.56)	101.68	(3.53)	(15.80)	(2.50)	(7.12)	70.23		70.23	39.84
2021	\$3.22	30.80	31.52	101.55	3.06	0.59	1.98	(2.63)	104.55	(3.63)	(18.14)	(2.57)	(7.30)	70.42	(2.52)	67.90	37.51
2022	\$3.30	31.04	31.76	104.88	3.10	0.61	2.03	(2.71)	107.89	(3.75)	(15.84)	(2.63)	(7.48)	59.87	(0.12)	59.75	29.95
2023	\$3.38	31.28	32.00	108.33	3.13	0.62	2.08	(2.80)	111.35	(3.87)	(24.16)	(2.70)	(7.67)	54.63		54.63	25.66
2024	\$3.47	31.52	32.25	111.88	3.16	0.64	2.13	(2.89)	114.92	(3.99)	(17.61)	(2.76)	(7.86)	64.36		64.36	28.39
2025	\$3.56	31.76	32.50	115.56	3.19	0.65	2.18	(2.99)	118.60	(4.12)	(16.64)	(2.83)	(8.05)	68.62		68.62	28.42
2026	\$3.64	32.00	32.75	119.35	3.22	0.67	2.24	(3.08)	122.40	(4.25)	(19.38)	(2.90)	(8.26)	69.28		69.28	26.94
2027	\$3.74	32.25	33.00	123.27	3.26	0.69	2.29	(3.18)	126.33	(4.39)	(17.11)	(2.98)	(8.46)	75.06	(7.94)	67.12	27.40
2028	\$3.83	32.49	33.25	127.32	3.29	0.70	2.35	(3.28)	130.38	(4.53)	(17.34)	(3.05)	(8.67)	78.45	(4.33)	74.13	26.89
2029	\$3.92	32.74	33.51	131.50	3.33	0.72	2.41	(3.39)	134.57	(4.68)	(17.58)	(3.13)	(8.89)	81.96	(4.43)	77.53	26.38
2030	\$4.02	32.99	33.77	135.82	3.36	0.74	2.47	(3.50)	138.89	(4.83)	(17.98)	(3.21)	(9.11)	85.43	(4.54)	80.89	25.82
2031	\$4.12	33.25	34.03	140.28	3.40	0.76	2.53	(3.61)	143.35	(4.98)	(22.19)	(3.29)	(9.34)	85.22	(13.39)	71.83	24.19
2032	\$4.23	33.38	34.16	144.34	3.42	0.78	2.59	(3.71)	147.41	(5.12)	(18.49)	(3.37)	(9.57)	108.35	(0.16)	108.20	28.87
2033	\$4.33	33.50	34.29	148.51	3.44	0.80	2.66	(3.82)	151.59	(5.27)	(18.71)	(3.45)	(9.81)	111.84		111.84	27.98
2034	\$4.44	33.63	34.42	152.81	3.47	0.82	2.72	(3.93)	155.89	(5.42)	(18.94)	(3.54)	(10.06)	115.43		115.43	27.12
2035	\$4.55	33.76	34.55	157.23	3.49	0.84	2.79	(4.04)	160.31	(5.57)	(30.07)	(3.63)	(10.31)	108.22		108.22	23.87
2036	\$4.66	33.89	34.69	161.77	3.52	0.86	2.86	(4.15)	164.86	(5.73)	(22.11)	(3.72)	(10.57)	120.22		120.22	24.90
2037	\$4.78	34.02	34.82	166.45	3.54	0.88	2.93	(4.27)	169.53	(5.90)	(19.85)	(3.81)	(10.83)	126.64	(30.83)	95.81	24.63
2038	\$4.90	34.15	34.96	171.27	3.57	0.90	3.01	(4.39)	174.35	(6.06)	(21.81)	(3.91)	(11.10)	128.96		128.96	23.55
2039	\$5.02	34.28	35.09	176.22	3.60	0.92	3.08	(4.52)	179.30	(6.24)	(20.38)	(4.00)	(11.38)	134.79		134.79	23.11
2040	\$5.15	34.41	35.22	181.31	3.62	0.95	3.16	(4.65)	184.39	(6.41)	(20.64)	(4.10)	(11.67)	139.07		139.07	22.39
2041	\$5.28	34.55	35.36	186.56	3.65	0.97	3.24	(4.78)	189.63	(6.60)	(23.42)	(4.21)	(11.96)	140.96	(10.10)	130.86	21.31
2042	\$5.41	34.55	35.36	191.22	3.66	0.99	3.32	(4.90)	194.30	(6.76)	(21.39)	(4.31)	(12.26)	147.09	(10.51)	136.58	20.88
2043	\$5.54	34.55	35.36	196.00	3.68	1.02	3.40	(5.02)	199.08	(6.92)	(21.62)	(4.42)	(12.56)	151.06	(6.26)	144.79	20.14
2044	\$5.68	34.55	35.36	200.90	3.69	1.04	3.49	(5.14)	203.98	(7.09)	(21.85)	(4.53)	(12.88)	155.13	(6.42)	148.71	19.42
2045	\$5.82	34.55	35.36	205.93	3.71	1.07	3.57	(5.27)	209.01	(7.27)	(24.14)	(4.64)	(13.20)	157.26	(14.36)	142.90	18.48
2046	\$5.97	34.55	35.36	211.07	3.72	1.10	3.66	(5.40)	214.16	(7.45)	(24.91)	(4.76)	(13.53)	161.01		161.01	17.77
2047	\$6.12	34.55	35.36	216.35	3.74	1.12	3.75	(5.53)	219.43	(7.63)	(37.34)	(4.88)	(13.87)	153.22	(6.09)	147.13	15.88
2048	\$6.27	34.55	35.36	221.76	3.75	1.15	3.85	(5.67)	224.84	(7.82)	(23.23)	(5.00)	(14.21)	172.08		172.08	16.74
2049	\$6.43	34.55	35.36	227.30	3.77	1.18	3.94	(5.81)	230.39	(8.01)	(23.50)	(5.13)	(14.57)	176.68		176.68	16.14
2050	\$6.59	34.55	35.36	232.99	3.78	1.21	4.04	(5.95)	236.07	(8.21)	(23.77)	(5.25)	(14.93)	181.41		181.41	15.56
2051	\$6.75	34.55	35.36	238.81	3.80	1.24	4.14	(6.10)	241.90	(8.41)	(26.58)	(5.38)	(15.31)	183.72	(5.29)	178.43	14.80
2052	\$6.92	34.55	35.36	244.78	3.82	1.27	4.25	(6.25)	247.87	(8.62)	(26.79)	(5.52)	(15.69)	188.75	(0.26)	188.50	14.27
2053	\$7.10	34.55	35.36	250.90	3.84	1.30	4.35	(6.40)	253.99	(8.83)	(24.71)	(5.66)	(16.08)	196.21		196.21	13.93
2054	\$7.27	34.55	35.36	257.17	3.86	1.34	4.46	(6.56)	260.27	(9.05)	(25.40)	(5.80)	(16.48)	201.04		201.04	13.40
2055	\$7.45	34.55	35.36	263.60	3.87	1.37	4.57	(6.72)	266.70	(9.28)	(25.71)	(5.94)	(16.90)	206.38	(8.43)	197.95	12.92
2056	\$7.64	34.55	35.36	270.19	3.89	1.40	4.69	(6.89)	273.29	(9.50)	(28.55)	(6.09)	(17.32)	209.33	(8.64)	200.69	12.31
Totals FY 2010-16		131.89	135.16	346.34	32.04	2.97	21.09	(9.53)	392.90	(13.46)	(97.63)	(24.06)		257.74		257.74	211.25
Totals FY 2017-46		983.81	1006.85	4341.78	104.74	23.52	78.59	(111.75)	4436.87	(154.22)	(597.29)	(102.10)	(290.24)	3059.76	(115.92)	2943.83	814.00
Totals FY 2017-56		1329.28	1360.45	6765.64	142.86	36.11	120.65	(173.62)	6891.64	(239.59)	(862.87)	(156.76)	(445.59)	4928.56	(144.63)	4783.94	959.95

Footnotes¹ Reflects the average revenue per passenger car equivalent based on time-of-day variable weekday & weekend toll structures.² Annual volume of vehicles subject to tolls in each travel direction after ramp up adjustment; includes autos and trucks.³ Converts medium & large trucks to their passenger car equivalent (PCE) based on trucks paying 2x to 4x the auto toll.⁴ Excludes toll surcharge revenue assessed to customers without transponders for pay-by-plate (photo tolling/license plate list).⁵ Revenue from initial pay-by-plate fees assessed for photo toll payment to cover the average additional collection cost.⁶ Revenue from transponder sales and fees from additional pay-by-plate cost recovery efforts; assumed to cover the associated costs.⁷ Approximately a 2.5% deduction for revenue loss due to evasion, processing errors & uncollectible accounts.⁸ Credit card fees estimated at 3.45% of annual gross + surcharge revenues; first year costs include additional processing fees for high activity.⁹ Includes toll collection O&M costs, additional pay-by-plate staff & enforcement costs covered by additional fees, & toll equipment R&R costs.¹⁰ Pre-completion facility O&M costs are assumed to be included in existing maint. budgets.¹¹ Reflects the repayment of construction sales tax deferred during construction of floating bridge and landings.

* Nights from 11 PM to 5 AM are toll-free for pre-completion tolling (thru FY 2016).

** Insurance premium for the physical structure of the bridge.

General Notes

– Demand and revenue are reduced for "ramp-up" in initial years as customers get accustomed to tolls.

– Toll rate escalation and certain O&M cost inflation, where applicable, is projected at 2.5% per year.

– Tolling begins March 19, 2011; modeled as revenue available April 1, 2011.

Individual State Agency Fiscal Note

Bill Number: 2897 S HB	Title: Tolls: collection, use, etc.	Agency: 410-Transportation Commission
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT					
Total \$					

Estimated Expenditures from:

	FY 2010	FY 2011	2009-11	2011-13	2013-15
Account					
Total \$					

Estimated Capital Budget Impact:

Total \$					

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☒ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☒ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 02/15/2010
Agency Preparation: Paul Parker	Phone: (360)705-7118	Date: 02/18/2010
Agency Approval: Reema Griffith	Phone: 360-705-7070	Date: 02/18/2010
OFM Review: Ron Lorentson	Phone: (360) 902-9822	Date: 02/18/2010

Request # 2010-07-1

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

This proposal would clarify and modify tolling processes and procedures to support the state's move towards eliminating cash toll collection and relying totally on electronic toll collection and photo toll collection. It allows for customers to establish (a) an electronic toll collection account; (b) payment of a photo toll by customer-initiated payment or in response to a billing; or (c) payment of cash. Because collection costs vary widely depending on the payment method chosen, the Commission is required to adopt rules assessing administrative fees to recoup the cost of toll collection.

This proposal is not expected to create any revenue for the Transportation Commission or change either previously projected revenues or appropriated costs to the Department of Transportation.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years					
Total:					

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Sections 3(6) and 4(6) require the Commission to adopt rules assessing administrative fees to recoup the cost of toll collection. It is anticipated that the fees set by rule would reflect the actual cost of collecting tolls (a) from an electronic account pre-paid in advance; (b) by customer-initiated payment after assessment of a photo toll; (c) in response to a billing after assessment of a photo toll; or (d) in cash payment prior to using the toll facility.

The Commission would request data on the actual costs of toll collection from the Department and/or its tolling vendor once a contract with the new tolling vendor is finalized and signed. Based on experience to date, the fees would be the least for those with an ETC account and probably the highest for those customers who get a billing from a photo toll.



Multiple Agency Ten-Year Analysis Summary

Bill Number	Title
2897 S HB	Tolls: collection, use, etc.

This ten-year analysis is limited to the estimated cash receipts associated with the proposed tax or fee increases.

Estimated Cash Receipts (Dollars in Thousands)

Agency Name											
Admin Office of the Courts	0	0	0	0	0	0	0	0	0	0	0
Office of Financial Management	0	0	0	0	0	0	0	0	0	0	0
Department of Licensing	0	0	0	0	0	0	0	0	0	0	0
Department of Transportation	Non-zero but indeterminate impact										
Transportation Commission	Non-zero but indeterminate impact										
Total	0	0	0	0	0	0	0	0	0	0	0



Ten-Year Analysis

Bill Number 2897 S HB	Title Tolls: collection, use, etc.	Agency 055 Admin Office of the Courts
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

☒ **No Cash Receipts** ☐ **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code											
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Agency Preparation: Julia Appel	Phone: (360) 705-5229	Date: 2/17/2010 4:26:32 pm
Agency Approval: Dirk Marler	Phone: 360-705-5211	Date: 2/17/2010 4:26:32 pm
OFM Review: Clint McCarthy	Phone: 360-902-0419	Date: 2/18/2010 11:30:08 am



Ten-Year Analysis

Bill Number 2897 S HB	Title Tolls: collection, use, etc.	Agency 105 Office of Financial Management
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

☒ **No Cash Receipts** ☐ **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code											
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Agency Preparation: Stephanie Lidren	Phone: 360-902-3056	Date: 2/16/2010 9:25:27 am
Agency Approval: Aaron Butcher	Phone: 360-902-0406	Date: 2/16/2010 9:25:27 am
OFM Review: Clint McCarthy	Phone: 360-902-0419	Date: 2/18/2010 11:30:08 am



Ten-Year Analysis

Bill Number 2897 S HB	Title Tolls: collection, use, etc.	Agency 240 Department of Licensing
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

☒ **No Cash Receipts** ☐ **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code											
--------------------	-----------	--	--	--	--	--	--	--	--	--	--	--

Agency Preparation: Don Arlow	Phone: (360) 902-3736	Date: 2/17/2010 3:38:55 pm
Agency Approval: Sam Knutson	Phone: (360) 902-3644	Date: 2/17/2010 3:38:55 pm
OFM Review: Clint McCarthy	Phone: 360-902-0419	Date: 2/18/2010 11:30:08 am



Ten-Year Analysis

Bill Number 2897 S HB	Title Tolls: collection, use, etc.	Agency 405 Department of Transportation
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

☐ No Cash Receipts
 ☒ Indeterminate Cash Receipts

Name of Tax or Fee	Acct Code											
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Narrative Explanation (Required for Indeterminate Cash Receipts)

(Sections 3&4(6)) The department assumes that it currently has authority to assess an administrative fee for SR520 as a result of the passage of Chapter 472, Laws of 2009 (ESHB2211). This proposal would allow the Commission to assess an administrative fee for the Tacoma Narrows Bridge (TNB) and SR167 HOT lanes, as well as future toll facilities. Currently, neither the SR167 HOT lanes nor the TNB conduct photo tolling and do not collect administrative fees.

For the purpose of this fiscal note, the department will provide estimated cash receipt for assessing an administrative fee for pay-by-plate transactions on SR520. Based on the traffic and toll rate assumptions for scenario 7, assessing an administrative fee is estimated to produce a total of approximately \$48 million for fiscal years 2010 through 2019. The fees would cover the vendor operation cost which includes operations of photo and video equipment, billing systems, and other administrative functions, as well as returned check fees and mailed statement costs. State operation costs include license plate verification and address lookups. Based on the traffic and toll rate assumptions for scenario 7, cash receipts are estimated to be (see attachment A for additional information):

Fiscal Year	Fee Revenues for Vendor Operations	Fee Revenues for State Operations
2010	\$ 0	\$ 0
2011	\$ 1 million	\$ 0.3 million
2012	\$ 6 million	\$ 0.7 million
2013	\$ 7 million	\$ 0.5 million
2014	\$ 7 million	\$ 0.5 million
2015	\$ 6 million	\$ 0.5 million
2016	\$ 4 million	\$ 0.5 million
2017	\$ 4 million	\$ 0.5 million
2018	\$ 4 million	\$ 0.5 million
2019	\$ 4 million	\$ 0.6 million



Ten-Year Analysis

Revised

Bill Number 2897 S HB	Title Tolls: collection, use, etc.	Agency 405 Department of Transportation
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Narrative Explanation (Required for Indeterminate Cash Receipts)

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10-yr Total	\$ 43 million	\$ 4.6 million (combined total \$48 million)

Agency Preparation: Mia Waters	Phone: 206-464-1209	Date: 2/18/2010 10:12:53 am
Agency Approval: Craig Stone	Phone: 206-464-1222	Date: 2/18/2010 10:12:53 am
OFM Review: Clint McCarthy	Phone: 360-902-0419	Date: 2/18/2010 11:30:08 am



Ten-Year Analysis

Bill Number 2897 S HB	Title Tolls: collection, use, etc.	Agency 410 Transportation Commission
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

☐ No Cash Receipts ☒ Indeterminate Cash Receipts

Name of Tax or Fee	Acct Code											
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Narrative Explanation (Required for Indeterminate Cash Receipts)

The amount and range of administrative fees is unknown and indeterminate; fees will vary based on the actual cost of toll collection based on the payment method chosen by the tollpayer.

The Commission would request data on the actual costs of toll collection from the Department and/or its tolling vendor once a contract with the new tolling vendor is finalized and signed. Based on experience to date, the fees would be the least for those with an ETC account and probably the highest for those customers who get a billing from a photo toll.

Agency Preparation: Paul Parker	Phone: (360)705-7118	Date: 2/18/2010 2:09:47 pm
Agency Approval: Reema Griffith	Phone: 360-705-7070	Date: 2/18/2010 2:09:47 pm
OFM Review: Clint McCarthy	Phone: 360-902-0419	Date: 2/18/2010 11:30:08 am