

Multiple Agency Fiscal Note Summary

Bill Number: 6499 E S SB	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
Total \$						

Local Gov. Courts *	Non-zero but indeterminate cost. Please see discussion.					
Local Gov. Other **	Non-zero but indeterminate cost. Please see discussion.					
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 State Treasurer	.0	0	0	.0	0	0	.0	0	0
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	.0	0	0	.0	0	0	.0	0	0
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 **	Non-zero but indeterminate cost. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Impact

Agency Name	2009-11		2011-13		2013-15	
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Department of Licensing						
Acquisition	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total \$	\$0	\$0	\$0	\$0	\$0	\$0

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

** See local government fiscal note

FNPID 27105

FNS029 Multi Agency rollup

This package includes the DOL fiscal note. There are no changes to any of the other agency fiscal notes.

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

Prepared by: Clint McCarthy, OFM

Phone:

360-902-0419

Date Published:

Revised

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

** See local government fiscal note

Judicial Impact Fiscal Note

Bill Number: 6499 E S SB	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: 02/17/2010
Agency Preparation: Julia Appel	Phone: (360) 705-5229	Date: 02/23/2010
Agency Approval: Dirk Marler	Phone: 360-705-5211	Date: 02/23/2010
OFM Review: See OFM Note	Phone:	Date: 02/23/2010

Request # -1

Part II: Narrative Explanation

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

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.

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

Section 5 removes a law enforcement officer's authority to issue a notice of traffic infraction when the infraction is detected through the use of a photo toll system.

Section 6 amends RCW 46.63.160 to provide that the section only applies to civil penalties for nonpayment of tolls detected through use of photo toll systems. It allows DOT to issue a notice of civil penalty for non-payment of a photo toll by the due date. It allows DOT, consistent with chapter 34.05 RCW, to develop an administrative adjudication process to review appeals of civil penalties for non-payment of photo tolls. It requires that all civil penalties collected under this section must be deposited into the toll facility account.

Section 9 amends RCW 46.61.690 to add a traffic infraction if a driver using a toll bridge, tunnel, road, or ferry displays a vehicle license number plate that is obscured or illegible.

Section 12 provides that the act takes effect upon certification by the secretary of transportation that the new statewide tolling operations center and photo toll system are fully operational. A notice of certification must be filed with the code reviser for publication in the state register. If a certificate is not issued by the secretary of transportation by December 1, 2012, this act is null and void.

II. B - Cash Receipts Impact

Section 12 provides that this act takes effect upon certification that the new statewide tolling operations center and photo toll system are fully operational. If the certificate is not issued by December 1, 2012, the act is null and void. We have, therefore, described the fiscal impact of two possible scenarios below.

Scenario 1

Tolling starts March 2011 (as currently projected by DOT). The new statewide operations center and photo toll system are fully operational and, therefore, the act takes effect.

Tacoma Narrows Bridge - Pierce County

Current toll infraction processing is being administered by Pierce District Court. The penalty for a toll infraction is currently \$40 and the toll penalty is \$12. In 2009, gross receipts were \$2,738,000. If toll violations no longer go into the court, this will result in an annual loss of \$2,115,000 in revenue to Pierce County, and an annual loss of \$623,000 to the state toll account. It is assumed future potential revenue from the civil penalties will be reported in the DOT fiscal note.

Scenario 2

Tolling starts March 2011, but the new statewide operations center and photo toll system are not fully operational and, therefore, the act does not take effect. Any violations detected by the photo toll system would be processed as infractions under current law.

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. 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 one month from the date the notice of infraction was issued. 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

\$14,600,000 King County (based on \$40 infraction penalty)

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

Year 2

\$21,900,000 King County (based on the \$40 infraction penalty)

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

II. C - Expenditures

Scenario 1

SR 520 Bridge – King County

It is important to note that King County District Court or AOC will not necessarily know if the new statewide operations center will be fully operational in time to start processing toll violations in March 2011. Therefore, it will be necessary to prepare for the possibility that violations will be processed by the court for an indefinite period. This will result in King County and the state incurring the startup costs listed under Scenario 2.

Tacoma Narrows Bridge – Pierce County:

Pierce County District Court will no longer be required to process photo toll infractions. The court was originally funded for 0.5 commissioner FTE and 4.0 clerical FTEs for this program. However, because of recent severe budget reductions, the court was unable to fill the commissioner position, and 6.5 staff positions were eliminated. Therefore, there will be no staff reduction. Eliminating pro tem costs for this project will result in savings of \$29,000, and eliminating a service contract for toll infraction mail and payment processing will result in savings of \$50,000. Total annual savings to Pierce County would be \$79,000.

Scenario 2

SR 520 Bridge – King County

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.

King County Ongoing Costs:

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 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:

It is assumed that infraction processing will lag four weeks behind the start of tolling. If tolling starts in late March 2011, then infraction filings and subsequent court hearings are assumed to start in late April 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.

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: 6499 E S SB	Title: Tolls: collection, use, etc.	Agency: 090-Office of State Treasurer
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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:

- ☐ 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: 02/17/2010
Agency Preparation: Dan Mason	Phone: 360-902-9090	Date: 02/18/2010
Agency Approval: Dan Mason	Phone: 360-902-9090	Date: 02/18/2010
OFM Review: Mike Steenhout	Phone: 360-902-0554	Date: 02/18/2010

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: 6499 E S SB	Title: Tolls: collection, use, etc.	Agency: 105-Office of Financial Management
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Part I: Estimates

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No Fiscal Impact

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- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 02/17/2010
Agency Preparation: Stephanie Lidren	Phone: 360-902-3056	Date: 02/17/2010
Agency Approval: Aaron Butcher	Phone: 360-902-0406	Date: 02/17/2010
OFM Review: Cheri Keller	Phone: 360-902-0563	Date: 02/18/2010

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: 6499 E S SB	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		31,320	164,430	195,750	0	0
-1						
Total \$		31,320	164,430	195,750	0	0

Estimated Capital Budget Impact:

	2009-11		2011-13		2013-15	
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Acquisition	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total \$	\$0	\$0	\$0	\$0	\$0	\$0

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: 02/17/2010
Agency Preparation: Sam Knutson	Phone: (360) 902-3644	Date: 03/05/2010
Agency Approval: Sam Knutson	Phone: (360) 902-3644	Date: 03/05/2010
OFM Review: Alyson Cummings	Phone: 360-902-0576	Date: 03/05/2010

Request # 6499 ES SB-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.

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.

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).

Sections 5 and 6 define that a traffic infraction occurs when the registered owner or renter of a vehicle goes through a toll facility and does not pay the toll.

Section 7 amends RCW 46.63.030 to change the reference to an enforcement system to toll system.

Section 8 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 9 amends RCW 46.63.075 to change the reference a toll system instead of enforcement system, and defines that an infraction issued by an automated traffic safety camera can be overcome under certain circumstances.

Section 12 repeals RCW 46.61.690, violations relating to toll facilities.

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

	<u>FY 10</u>	<u>FY 11</u>	<u>09-11 Total</u>	<u>11-13 Total</u>	<u>13-15 Total</u>
FTE Staff Years					
Goods and Services	31,320	164,430	195,750		
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 – FTE Detail

EXPENDITURE DETAIL – STAFF

Job Classification	Salary	<u>FY 10</u>	<u>FY 11</u>	<u>09-11 Total</u>	<u>11-13 Total</u>	<u>13-15 Total</u>
				-	-	-
Total FTEs		-	-	-	-	-

III. B – Expenditures by Program (optional)

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

Part IV: Capital Budget Impact

None

Part V: New Rule Making Required

None

Individual State Agency Fiscal Note

Revised

Bill Number: 6499 E S SB	Title: Tolls: collection, use, etc.	Agency: 405-Department of Transportation
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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.

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

Legislative Contact:	Phone:	Date: 02/17/2010
Agency Preparation: Mia Waters	Phone: 206-464-1209	Date: 02/22/2010
Agency Approval: Craig Stone	Phone: 206-464-1222	Date: 02/22/2010
OFM Review: Clint McCarthy	Phone: 360-902-0419	Date: 02/23/2010

Request # 10-083R-2

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 differs from the prior proposal (SSB6499) in that it would direct all civil penalties (\$40 penalty + photo toll + associated fee) to be deposited into the civil penalties account created in ESSB 6392, if ESSB 6392 is enacted by June 30, 2010. The civil penalties account can only be used for projects, including mitigation, within the SR 520 bridge replacement and HOV program. Since funding for the adjudication process cannot be funded through civil penalties if ESSB 6392 is enacted by June 30, 2010, the department assumes that the expenditures related to the adjudication process will be funded through general toll revenues.

This proposal would also 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 compared to current law are: increasing the number of days during which a driver may pay a toll before a civil penalty is assessed for non-payment; increasing the notification period for rental car agencies for rental vehicles that used a toll facility; changing the authority from the issuance of an infraction to a civil violation; identifying/reinforcing privacy requirements for users (not allow electronic tolling information for purposes other than tolling enforcement); identifying civil penalties to be \$40 plus photo toll plus associated fees; directing TNB related civil penalties to be first allocated toward repayment of operating loans and reserve payments for the motor vehicle account; and directing all prepaid account toll receipts into the central toll account from which distributions for both revenue and expenditures will be made to receiving toll facility accounts. This proposal directs the transportation commission to adopt rules relating to the assessment of administrative fees as appropriate for toll collection processes. Proposed administrative fees may not exceed toll collection costs. This bill would also clarify tolling definitions and permit the central toll account funded from prepaid customer accounts to perform clearinghouse functions.

In addition to the provisions listed above, this proposal would require the department to develop an administrative adjudication process to review appeals of civil penalties. Toll collection costs are assumed to include the development of adjudication procedures.

The secretary of transportation is required to certify with the code reviser that the new statewide tolling operations center and photo toll system are fully operational in order for this proposal to take effect. If the secretary of transportation does not certify by December 1, 2012, this proposal is null and void.

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 electronic tolling). The SR 520 corridor revenue projections already assumed that revenue would be collected entirely through electronic means of photo tolls and transponders and not cash payments. It is possible that there may be a differential rate of collection between users with transponder accounts as compared to those with license plate accounts (photo tolls), but administrative fees will be set to cover the cost of toll collection processes (prior to adjudication) and would offset any such difference.

(Sections 3(6) and 4(6)) This proposal would allow the Transportation Commission to assess an administrative fee for toll collection processes. At this time it is unknown if an administrative fee would be established or what amount would be set.

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
<hr/>		
10-yr Total	\$ 43 million	\$ 4.6 million (combined total \$48 million)

(Section 6(5)) This section would require the department to develop an administrative adjudication process to review appeals and civil penalties.

(Section 6(8)) This section would change civil penalties for toll nonpayment to be \$40 plus the photo toll plus associated fees.

(Section 6(9)) This section would require civil penalties collected (including the photo toll and associated fees) to be deposited into the toll facility account for the facility on which the toll was assessed, except for SR 520 civil penalties, which would be deposited into the SR 520 civil penalties account if ESSB 6392 is enacted by June 30, 2010. Civil penalties for TNB must first be allocated towards repayment of operating loans provided to the account from the motor vehicle account (MVA), beginning July 1, 2011. Under Chapter 470, Laws of 2009 the department is required to repay the MVA by June 30, 2011. For the purpose of this fiscal note, the department assumes all the funding that is deposited in the TNB account beginning July 1, 2011, for civil penalties will be first used to repay the MVA loan (\$5.288M).

Cash receipts cannot be accurately estimated since it is assumed that the Transportation Commission will set the fees and toll rate setting had not been conducted for SR520 yet; however, for the purpose of this fiscal note the department made

preliminary estimates that the civil penalty cash receipts would be:

TNB for FY2011

\$40 + Avg Toll (\$4.00) + \$1 photo license fee

SR520 for FY2011

\$40 + Avg Toll (\$2.38) + \$1 photo license fee

Based on the estimated civil penalties, the department estimates the revenue for both SR520 and TNB would be the following (see Attachment A for additional information):

	Table 1 SR 520 and TNB combined Penalty Rev Toll Penalty + Toll + Fee*	Table 2 SR 520 civil penalty revenue Directed for Projects Toll Penalty + Toll + Fee*	Table 3 TNB civil penalty revenue excludes MVA reimburse Toll Penalty + Toll + Fee*
Fiscal Year			
2010	\$ 0	2010 \$ 0	2010 \$ 0
2011	\$ 3.9 million	2011 \$ 3.5 million	2011 \$ 0.4 million
2012	\$ 43.4 million	2012 \$ 40.1 million	2012 \$ 0.0 million**
2013	\$ 29.4 million	2013 \$ 24.6 million	2013 \$ 2.9 million**
2014	\$ 28.8 million	2014 \$ 23.8 million	2014 \$ 4.9 million
2015	\$ 28.8 million	2015 \$ 23.9 million	2015 \$ 4.9 million
2016	\$ 28.8 million	2016 \$ 23.9 million	2016 \$ 4.9 million
2017	\$ 29.0 million	2017 \$ 24.0 million	2017 \$ 4.9 million
2018	\$ 29.0 million	2018 \$ 24.1 million	2018 \$ 4.9 million
2019	\$ 29.1 million	2019 \$ 24.1 million	2019 \$ 4.9 million
<hr/>			
	10-yr Total Estimate \$ 250.3 million repayment	10-yr Total Estimate for SR520 \$ 212 million	10-yr Total TNB net of of \$5.288 loan =\$33 million**

*Note: Due to rounding, the revenue split between Table 2 (SR 520) and Table 3 (TNB) may not add up exactly to the combined dollar figures in Table 1.

**The MVA repayment identified in Section 6(9) is currently \$5.288 million, which is approximately \$3.4 million in FY2012 and \$1.9 million for FY2013.

Of the estimated \$250 million available from civil penalties (penalty + toll + fee), over a 10-year period, approximately \$212 million would be deposited into the civil penalties account created in ESSB 6392. For TNB, approximately \$5 million would be used to repay loans from the MVA and \$33 million would be available over the 10-year period to fund the adjudication process and other TNB operational needs.

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 cost of the administrative adjudication process is not included in the current allotment request.

(Sections 3 and 4) This section allows for both transponder and license plate lookup technologies to be used, to collect tolls. Since the department assumes that both technologies will be used this will not impact the estimated expenditure assumptions, so there is 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(6) 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 rates assumptions for the traffic and toll rates 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) This section allows a civil penalty to be issued by the department and directs the department to develop an administrative adjudication process to review civil penalties that are appealed. If ESSB 6392 is enacted by June 30, 2010, funding for the adjudication process for SR520 cannot be funded through civil penalties, the department assumes that the expenditures related to the adjudication process for SR520 would need to be funded through general toll revenues.

The total expenditure for the adjudication process will be split for TNB and SR520 based on the number of civil penalties from each facility. Since additional analysis would be needed to split these costs, the department has determined this proposal to be indeterminate. For the purpose of the fiscal note, the department is providing the estimated total costs of the adjudication process.

Based on recent experience with the Pierce County Courts for Toll Violations, King County Courts estimates, as well as

other facilities across the country, costs for TNB and SR520 are estimated to be (see Attachment B for additional information):

Fiscal Year	Costs related to the Administrative Adjudication Process
2010	\$ 0
2011	\$ 3.2 million*
2012	\$ 10.1 million
2013	\$ 5.0 million
2014	\$ 3.8 million
2015	\$ 3.9 million
2016	\$ 4.0 million
2017	\$ 4.1 million
2018	\$ 4.2 million
2019	\$ 4.3 million

10-Yr Total \$ 42.6 million

* Accounts for \$2.3 m from "B" tolling program, plus an investment of \$950K from Fed Urban Partnership Program (UPA) in FY2011.

(Section 8(1)) The central toll account is established to serve a clearinghouse function for prepaid toll accounts. Both interest earnings and toll revenues can be allocated to receiving toll accounts based on an equitable methodology as determined by the department in consultation with the office of financial management. This is not anticipated to have any effect on expenditures.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Personal Service Contracts					
E-Goods and Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total:	\$0	\$0	\$0	\$0	\$0

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), directs the transportation commission to adopt rules to assess administrative fees to address the toll collection processes.

Section 6(5) directs the department to develop an adjudication process to review appeals of civil penalties.

Section 6(11) directs the department to develop rules consistent with 34.05 RCW (Administrative Procedure Act that includes rule-making process requirements) that would be needed overall for Section 6. Section 6 covers conditions for civil penalties, adjudication, public outreach requirements and reporting, and fees associated with photo tolling.

ATTACHMENT A

All-Administrative Adjudication Process: ESSB6499

Cash Receipts

SR520	FY 2010 (process not in place)		FY 2011 (June 4 - June 30 = 27days)	2009-11 Biennium	FY 2012		FY 2013	2011-13 Biennium	FY 2014		FY 2015	2013-15 Biennium	FY 2016		FY 2017	2015-17 Biennium	FY 2018		FY 2019	2017-19 Biennium	10-Yr Total
Notice of Infractions, Start-Up 18 Months Mar 2010 - Aug 2012		0	540,000	540,000	6,149,775		1,445,433	7,595,208	0	0	0	0	0	0	0	0	0	0	0	0	8,135,208
Notice of Infractions (NOIs), Steady State (at 5,000/day)		0	0	0	0		1,064,583	1,064,583	1,825,000		1,825,000	3,650,000	1,825,000		1,825,000	3,650,000	1,825,000		1,825,000	3,650,000	12,014,583
Average Toll ⁽³⁾	\$	-	\$ 2.38	N/A	\$ 2.44	\$	2.50	N/A	\$ 2.56	\$	2.62	N/A	\$ 2.69	\$	2.92	N/A	\$ 2.99	\$	3.07	N/A	--
Total billed per NOI	\$	-	\$ 43.38	N/A	\$ 43.44	\$	43.50	N/A	\$ 43.56	\$	43.62	N/A	\$ 43.69	\$	43.92	N/A	\$ 43.99	\$	44.07	N/A	--
Each NOI=\$40 penalty + Avg Toll ⁽²⁾ + \$1 Photo Fee																					
Collection Rate assumed for Notice of Infractions			15%		15%		22.5%		30%		30%		30%		30%		30%		30%		
Cash Receipts for \$1 Photo License Fee	\$	-	\$ 81,000	\$ 81,000	\$ 922,466	\$	564,754	\$ 1,487,220	\$ 547,500	\$	547,500	\$ 1,095,000	\$ 547,500	\$	547,500	\$ 1,095,000	\$ 547,500	\$	547,500	\$ 1,095,000	\$ 4,853,220
Cash Receipts for \$40 Toll Penalty	\$	-	\$ 3,240,000	\$ 3,240,000	\$ 36,898,650	\$	22,590,150	\$ 59,488,800	\$ 21,900,000	\$	21,900,000	\$ 43,800,000	\$ 21,900,000	\$	21,900,000	\$ 43,800,000	\$ 21,900,000	\$	21,900,000	\$ 43,800,000	\$ 194,128,800
Cash Receipts for Toll Assessment	\$	-	\$ 192,780	\$ 192,780	\$ 2,250,818	\$	1,411,884	\$ 3,662,702	\$ 1,401,600	\$	1,434,450	\$ 2,836,050	\$ 1,472,775	\$	1,598,700	\$ 3,071,475	\$ 1,637,025	\$	1,680,825	\$ 3,317,850	\$ 13,080,857
SR520 Total Estimated Cash Receipts, Start-Up	\$	-	\$ 3,513,780	\$ 3,513,780	\$ 40,071,934	\$	14,147,179	\$ 54,219,113	\$ -	\$	-	\$ -	\$ -	\$	-	\$ -	\$ -	\$	-	\$ -	\$ 57,732,893
Assume 30% of NOIs pay for steady state																					
SR520 Total Estimated Cash Receipts, Standard	\$	-	\$ -	\$ -	\$ -	\$	10,419,609	\$ 10,419,609	\$ 23,849,100	\$	23,881,950	\$ 47,731,050	\$ 23,920,275	\$	24,046,200	\$ 47,966,475	\$ 24,084,525	\$	24,128,325	\$ 48,212,850	\$ 154,329,984
Assume 30% of NOIs pay for steady state																					
TOTAL SR520 Estimated Cash Receipts	\$	-	\$ 3,513,780	\$ 3,513,780	\$ 40,071,934	\$	24,566,788	\$ 64,638,722	\$ 23,849,100	\$	23,881,950	\$ 47,731,050	\$ 23,920,275	\$	24,046,200	\$ 47,966,475	\$ 24,084,525	\$	24,128,325	\$ 48,212,850	\$ 212,062,877
Tacoma Narrows Bridge (TNB)	FY 2010 (process not in place)		FY 2011 (March 19 - June 30 = 104days)		FY 2012		FY 2013		FY 2014		FY 2015		FY 2016		FY 2017		FY 2018		FY 2019		10-Yr Total
Notice of Infractions (at approx 1,000/day by FY2013 for Steady State) ⁽⁴⁾		0	32,200	32,200	249,233		359,850	609,083	365,000		365,000	730,000	365,000		365,000	730,000	365,000		365,000	730,000	2,831,283
Average Toll ⁽³⁾	\$	-	\$ 4.00	N/A	\$ 4.00	\$	4.00	N/A	\$ 4.00	\$	4.00	N/A	\$ 4.00	\$	4.00	N/A	\$ 4.00	\$	4.00	N/A	--
Total billed per NOI	\$	-	\$ 45.00	N/A	\$ 45.00	\$	45.00	N/A	\$ 45.00	\$	45.00	N/A	\$ 45.00	\$	45.00	N/A	\$ 45.00	\$	45.00	N/A	--
Each NOI=\$40 penalty + Avg Toll ⁽⁴⁾ + \$1 Photo Fee																					
Collection Rate assumed for Notice of Infractions			30%		30%		30%		30%		30%		30%		30%		30%		30%		
Cash Receipts for \$1 Photo License Fee	\$	-	\$ 9,660	\$ 9,660	\$ 74,770	\$	107,955	\$ 182,725	\$ 109,500	\$	109,500	\$ 219,000	\$ 109,500	\$	109,500	\$ 219,000	\$ 109,500	\$	109,500	\$ 219,000	\$ 849,385
Cash Receipts for \$40 Toll Penalty	\$	-	\$ 386,400	\$ 386,400	\$ 2,990,800	\$	4,318,200	\$ 7,309,000	\$ 4,380,000	\$	4,380,000	\$ 8,760,000	\$ 4,380,000	\$	4,380,000	\$ 8,760,000	\$ 4,380,000	\$	4,380,000	\$ 8,760,000	\$ 33,975,400
Cash Receipts for Toll Assessment	\$	-	\$ 38,640	\$ 38,640	\$ 299,080	\$	431,820	\$ 730,900	\$ 438,000	\$	438,000	\$ 876,000	\$ 438,000	\$	438,000	\$ 876,000	\$ 438,000	\$	438,000	\$ 876,000	\$ 3,397,540
TNB Total Estimated Cash Receipts, Standard with slower ramp up	\$	-	\$ 434,700	\$ 434,700	\$ 3,364,650	\$	4,857,975	\$ 8,222,625	\$ 4,927,500	\$	4,927,500	\$ 9,855,000	\$ 4,927,500	\$	4,927,500	\$ 9,855,000	\$ 4,927,500	\$	4,927,500	\$ 9,855,000	\$ 38,222,325
Assume 30% of NOIs pay for ramp up and steady state																					
TOTAL TNB Estimated Cash Receipts	\$	-	\$ 434,700	\$ 434,700	\$ 3,364,650	\$	4,857,975	\$ 8,222,625	\$ 4,927,500	\$	4,927,500	\$ 9,855,000	\$ 4,927,500	\$	4,927,500	\$ 9,855,000	\$ 4,927,500	\$	4,927,500	\$ 9,855,000	\$ 38,222,325
SR520 and TNB Combined																					
Total Cash Receipts for Fees	\$		\$ 90,660	\$ 90,660	\$ 997,236	\$	672,709	\$ 1,669,945	\$ 657,000	\$	657,000	\$ 1,314,000	\$ 657,000	\$	657,000	\$ 1,314,000	\$ 657,000	\$	657,000	\$ 1,314,000	\$ 5,702,605
Total Cash Receipts for \$40 Toll Penalty	\$		\$ 3,626,400	\$ 3,626,400	\$ 39,889,450	\$	26,908,350	\$ 66,797,800	\$ 26,280,000	\$	26,280,000	\$ 52,560,000	\$ 26,280,000	\$	26,280,000	\$ 52,560,000	\$ 26,280,000	\$	26,280,000	\$ 52,560,000	\$ 228,104,200
Total Cash Receipts for Toll Assessment	\$		\$ 231,420	\$ 231,420	\$ 2,549,898	\$	1,843,704	\$ 4,393,602	\$ 1,839,600	\$	1,872,450	\$ 3,712,050	\$ 1,910,775	\$	2,036,700	\$ 3,947,475	\$ 2,075,025	\$	2,118,825	\$ 4,193,850	\$ 16,478,397
TOTAL Estimated Cash Receipts	\$	-	\$ 3,948,480	\$ 3,948,480	\$ 43,436,584	\$	29,424,763	\$ 72,861,347	\$ 28,776,600	\$	28,809,450	\$ 57,586,050	\$ 28,847,775	\$	28,973,700	\$ 57,821,475	\$ 29,012,025	\$	29,055,825	\$ 58,067,850	\$ 250,285,202

Notes:

(1) Source - Pierce County Courts data calendar year 2009.

(2) Average toll for SR520 from the traffic and toll rates found in Scenario 7 of 2009 Traffic and Revenue Study, Medium Toll Rate in year of collection dollars.

(3) Average toll for TNB cor current toll rate schedule for passenger vehicles. In FY2014 and later the toll rate may change further, but is kept at \$4 for this exercise.

(4) Cash payment is still available. This ramp up assumes 1/2 of current cash customers would convert to billing.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
2	ATTACHMENT B																	
3	Fiscal Note for Adjudication: ESSB6499																	
4	Estimated Program Costs				Assume administrative process through WSDOT. TNB starts using the process Jan 18, 2011, adjudication would commence 80 days later, approx. April 5, 2011.													
5					SR520 Tolling Begins March 19, 2011, adjudication needs would commence 80 days later, approx. June 4, 2011.													
		FY 2010 (process not in place)	FY 2011 (Feb - June Only)	2009-11 Biennium	FY 2012	FY 2013	2011-13 Biennium	FY 2014	FY 2015	2013-15 Biennium	FY 2016	FY 2017	2015-17 Biennium	FY 2018	FY 2019	2017-19 Biennium	10-Yr Total	
6	Program Costs																	
7	FTEs based on SR520 and TNB Toll Notice of Infraction (NOI) Distribution																	
8																		
9	Start-UP FTEs needed for Adjudication (to be covered by non-WSDOT contracted staff)	0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0			--
10	Standard FTEs needed for Adjudication	0.0	4.8		22.0	22.0		22.0	22.0		22.0	22.0		22.0	22.0			--
	For Information Only: FTEs already on TO, authorized in B5 program budget (WMS Manager + 2 Cust. Serv. Specs)	0.0	1.3		3.0	3.0		3.0	3.0		3.0	3.0		3.0	3.0			--
11																		
12																		
13																		
14																		
15	Toll NOIs on which Goods and Services are based																	
16	Total estimated infractions ⁽¹²⁾		572,200	572,200	6,399,008	2,869,867	9,268,875	2,190,000	2,190,000	4,380,000	2,190,000	2,190,000	4,380,000	2,190,000	2,190,000	4,380,000	22,981,075	
	Total estim. Infraction "notices" to be mailed (B2 and B5) with no batching at 1 mailing per NOI ⁽¹³⁾		572,200	572,200	6,399,008	2,869,867	9,268,875	2,190,000	2,190,000	4,380,000	2,190,000	2,190,000	4,380,000	2,190,000	2,190,000	4,380,000	22,981,075	
17																		
18																		
19																		
20	A - Salaries and Wages																	
23	Total Salaries and Wages	\$ -	\$ 262,628	\$ 262,628	\$ 1,156,422	\$ 1,204,170	\$ 2,360,592	\$ 1,234,274	\$ 1,265,131	\$ 2,499,405	\$ 1,296,759	\$ 1,329,178	\$ 2,625,938	\$ 1,362,408	\$ 1,396,468	\$ 2,758,876	\$ 10,507,439	
24																		
25	B - Employee Benefits																	
28	Total Employee Benefits	\$ -	\$ 78,788	\$ 78,788	\$ 346,927	\$ 361,251	\$ 708,178	\$ 370,282	\$ 379,539	\$ 749,822	\$ 389,028	\$ 398,754	\$ 787,781	\$ 408,722	\$ 418,940	\$ 827,663	\$ 3,152,232	
29																		
30	C - Personal Services Contracts																	
31	Vendor Overhead (assume some positions will work in vendor space) ⁽⁷⁾	\$ -	\$ 143,006	\$ 143,006	\$ 59,428	\$ 27,649	\$ 87,077	\$ 22,464	\$ 29,277	\$ 51,742	\$ 22,896	\$ 23,119	\$ 46,015	\$ 23,348	\$ 30,183	\$ 53,532	381,371	
32	ETC tracking module (estim. \$500K initial cost), assumes Federal UPA funding	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	500,000	
33	ETC tracking module (\$20K/mo for support) ⁽¹¹⁾	\$ -	\$ 140,000	\$ 140,000	\$ 240,000	\$ 240,000	\$ 480,000	\$ 240,000	\$ 240,000	\$ 480,000	\$ 240,000	\$ 240,000	\$ 480,000	\$ 240,000	\$ 240,000	\$ 480,000	2,060,000	
34	Hearings: temporary security guard services for start-up ⁽¹⁰⁾	\$ -	\$ 10,647	\$ 10,647	\$ 127,764	\$ 54,566	182,330	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	192,977	
35	Hearings: temporary security guard services to cover TNB needs ⁽²⁾⁽⁹⁾	\$ -	\$ 6,654	\$ 6,654	\$ 26,618	\$ 27,283	53,900	\$ 27,965	\$ 28,664	\$ 56,629	\$ 29,381	\$ 30,115	\$ 59,496	\$ 30,868	\$ 31,640	\$ 62,508	239,188	
36	Total Personal Services Contracts	\$ -	\$ 800,307	\$ 800,307	\$ 453,810	\$ 349,498	803,308	\$ 290,429	\$ 297,941	\$ 588,371	\$ 292,276	\$ 293,234	\$ 585,511	\$ 294,217	\$ 301,823	\$ 596,040	\$ 3,373,536	
37																		
38	E - Goods and Services																	
39	Credit Card & Banking Fees at 3.0% of transaction amount ⁽⁸⁾	\$ -	\$ 111,934	\$ 111,934	\$ 1,252,628	\$ 564,205	\$ 1,816,833	\$ 431,649	\$ 432,142	\$ 863,791	\$ 432,717	\$ 434,606	\$ 867,322	\$ 435,180	\$ 435,837	\$ 871,018	4,530,898	
40	Postage and Printing at 44 cents postage, and 2 cents per NOI, 1 NOI per mailing ⁽³⁾⁽⁵⁾	\$ -	\$ 263,212	\$ 263,212	\$ 3,071,524	\$ 1,434,933	4,506,457	\$ 1,138,800	\$ 1,182,600	2,321,400	\$ 1,226,400	\$ 1,270,200	\$ 2,496,600	\$ 1,314,000	\$ 1,357,800	\$ 2,671,800	12,259,469	
41	Start-Up: Computers & Equipment (Standard Costs)	\$ -	\$ 258,000	\$ 258,000	\$ 128,000	\$ 40,000	168,000	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	426,000	
42	Start-Up: Staffing using a temporary other gov't services ⁽¹⁴⁾	\$ -	\$ 381,716	\$ 381,716	\$ 3,138,444	\$ 779,568	3,918,012	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	4,299,729	
43	Supplies & Materials (at \$1,000/year/FTE) ⁽²⁾	\$ -	\$ 4,750	\$ 4,750	\$ 22,000	\$ 22,550	44,550	\$ 23,114	\$ 23,692	\$ 46,805	\$ 24,284	\$ 24,891	\$ 49,175	\$ 25,513	\$ 26,151	\$ 51,664	196,945	
44	Computers & Equipment (Standard Costs) + WSDOT Network/Module Support at \$5K	\$ -	\$ 137,000	\$ 137,000	\$ 93,000	\$ 93,000	186,000	\$ 93,000	\$ 137,000	\$ 230,000	\$ 93,000	\$ 93,000	\$ 186,000	\$ 93,000	\$ 137,000	\$ 230,000	969,000	
	Washington State Dept of Licensing license tab hold for non-payment of tolls (there is no cost at this time)	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	
	Start-Up: Costs, office space for supplemental contracted hearings officers for 18-24 months through the contracted customer service center ⁽¹⁵⁾	\$ -	\$ 135,576	\$ 135,576	\$ 249,162	\$ 35,947	285,109	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	420,685	
47	Standard FTEs: Office/cube spaces at 8,000 per office space (installed cost) for 21 FTEs	\$ -	\$ 168,000	\$ 168,000	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	168,000	
48	2 Vehicles + Operations + Parking ⁽¹⁾⁽²⁾	\$ -	\$ 52,345	\$ 52,345	\$ 5,628	\$ 5,769	11,397	\$ 5,913	\$ 6,061	11,974	\$ 6,212	\$ 6,368	\$ 12,580	\$ 6,527	\$ 6,690	\$ 13,217	101,512	
	System database computer infrastructure, server (switches, cabling, installation etc), assumes Federal UPA funding	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	150,000	
50	Estimated Initial renovations, assumes Federal UPA funding	\$ -	\$ 300,000	\$ 300,000	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	300,000	
51	Telephone/Communications (Standard Cost \$1,000/year/FTE) ⁽²⁾	\$ -	\$ 4,750	\$ 4,750	\$ 22,000	\$ 22,550	44,550	\$ 23,114	\$ 23,692	\$ 46,805	\$ 24,284	\$ 24,891	\$ 49,175	\$ 25,513	\$ 26,151	\$ 51,664	196,945	
52	Training & Development (at \$200/year/FTE) ⁽²⁾	\$ -	\$ 950	\$ 950	\$ 4,400	\$ 4,510	8,910	\$ 4,623	\$ 4,738	9,361	\$ 4,857	\$ 4,978	\$ 9,835	\$ 5,103	\$ 5,230	\$ 10,333	39,389	
53	Office and Hearing Room Space for standard needs ⁽²⁾⁽⁶⁾	\$ -	\$ 109,650	\$ 109,650	\$ 205,400	\$ 149,240	354,640	\$ 152,971	\$ 156,795	\$ 309,766	\$ 160,715	\$ 164,733	\$ 325,448	\$ 168,851	\$ 173,073	\$ 341,924	1,441,428	
54	Total Goods and Services	\$ -	\$ 2,077,883	\$ 2,077,883	\$ 8,192,185	\$ 3,152,273	11,344,458	\$ 1,873,183	\$ 1,966,719	3,839,902	\$ 1,972,469	\$ 2,023,666	\$ 3,996,135	\$ 2,073,688	\$ 2,167,932	\$ 4,241,620	\$ 25,499,999	
55																		
56	G - Travel																	
57	Travel (at \$1,000/yr per hearings examiner, plus \$2,000/yr for all remaining staff) ⁽²⁾	\$ -	\$ 6,667	\$ 6,667	\$ 10,000	\$ 10,250	\$ 20,250	\$ 10,506	\$ 10,769	\$ 21,275	\$ 11,038	\$ 11,314	\$ 22,352	\$ 11,597	\$ 11,887	\$ 23,484	94,028	
58	Total Travel	\$ -	\$ 6,667	\$ 6,667	\$ 10,000	\$ 10,250	\$ 20,250	\$ 10,506	\$ 10,769	\$ 21,275	\$ 11,038	\$ 11,314	\$ 22,352	\$ 11,597	\$ 11,887	\$ 23,484	\$ 94,028	
59																		
63																		
64																		
65	Start-Up: Subtotal Rough Estim. for Operations	\$ -	\$ 800,023	\$ 800,023	\$ 5,325,378	\$ 929,066	6,254,444	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	7,054,467	
66	Start-Up: Subtotal Rough Estim. for One Time Capital Costs	\$ -	\$ 1,305,921	\$ 1,305,921	\$ 254,790	\$ 134,716	389,506	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,695,427	
67	On-Going / Steady State Subtotal Operating Costs	\$ -	\$ 1,120,329	\$ 1,120,329	\$ 4,579,176	\$ 4,013,660	8,592,836	\$ 3,778,675	\$ 3,920,100	7,698,776	\$ 3,961,570	\$ 4,056,147	\$ 8,017,717	\$ 4,150,631	\$ 4,297,051	\$ 8,447,682	\$ 33,877,339	
68																		
72	Total Needed for All-Administrative Adjudication Process	\$ -	\$ 3,226,273	\$ 3,226,273	\$ 10,159,344	\$ 5,077,442	15,236,786	\$ 3,778,675	\$ 3,920,100	\$ 7,698,776	\$ 3,961,570	\$ 4,056,147	\$ 8,017,717	\$ 4,150,631	\$ 4,297,051	\$ 8,447,682	\$ 42,627,233	
73																		
74	Total New Requested Appropriation Authority	\$ -	\$ 2,276,273	\$ 2,276,273	\$ 10,159,344	\$ 5,077,442	15,236,786	\$ 3,778,675	\$ 3,920,100	\$ 7,698,776	\$ 3,961,570	\$ 4,056,147	\$ 8,017,717	\$ 4,150,631	\$ 4,297,051	\$ 8,447,682	\$ 41,677,233	
75																		
76	Already Covered by UPA	\$ -	\$ 950,000	\$ 950,000	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 950,000	
77																		

Individual State Agency Fiscal Note

Bill Number: 6499 E S SB	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: 02/17/2010
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: 02/19/2010

Request # 2010-09-1

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.

LOCAL GOVERNMENT FISCAL NOTE

Department of Community, Trade and Economic Development

Bill Number: 6499 E S SB	Title: Tolls: collection, use, etc.
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- ☒ Cities: All cities with municipal courts and/or state toll facilities located within their municipal court service area
- ☒ Counties: All counties with district courts and/or state toll facilities located within their district court service area
- ☐ Special Districts:
- ☒ Specific jurisdictions only: See above
- ☐ Variance occurs due to:

Part II: Estimates

- ☐ No fiscal impacts.
- ☐ Expenditures represent one-time costs:
- ☐ Legislation provides local option:
- ☒ Key variables cannot be estimated with certainty at this time: Number of state toll facilities

Estimated revenue impacts to:

Indeterminate Impact

Estimated expenditure impacts to:

Indeterminate Impact

Part III: Preparation and Approval

Fiscal Note Analyst: Anne Pflug	Phone: 509-925-2608	Date: 02/23/2010
Leg. Committee Contact:	Phone:	Date: 02/17/2010
Agency Approval: Steve Salmi	Phone: (360) 725 5034	Date: 02/23/2010
OFM Review: Clint McCarthy	Phone: 360-902-0419	Date: 02/23/2010

Part IV: Analysis

A. SUMMARY OF BILL

Provide a clear, succinct description of the bill with an emphasis on how it impacts local government.

SUMMARY

If certain criteria are met, the bill replaces the existing traffic infraction system administered by local government courts with a civil penalty system administered by the state Department of Transportation for the non-payment of tolls on state photo tolled transportation facilities.

SECTIONS WITH POTENTIAL LOCAL GOVERNMENT IMPACT

Section 5 -- Amends existing law to remove toll photo enforcement system violations under RCW 46.63.160 as a traffic infraction.

Section 6 and 7 -- Replaces traffic infractions for evasion of toll collection with a civil penalty administered by the Department of Transportation (DOT). Failure to pay a toll detected through a photo toll system is a civil penalty to be issued by DOT with a fine of \$40, plus the original toll amount and associated fees. Photo toll customers have 80 days from the time they use the toll facility to pay the toll before the toll charge becomes a civil penalty. DOT must develop an administrative adjudication process to review appeals of civil penalties.

Section 10 and 11 -- Provides that a hold on a person's vehicle registration or license tabs may occur if the civil penalty is not paid.

Section 12 -- Contains a contingent effective date. The bill becomes effective upon certification by the Secretary of Transportation that the tolling operations center and photo toll system are fully operational. If no certificate is issued by December 1, 2012, this bill becomes null and void.

B. SUMMARY OF EXPENDITURE IMPACTS

Briefly describe and quantify the expenditure impacts of the legislation on local governments, identifying the expenditure provisions by section number, and when appropriate, the detail of expenditures. Delineate between city, county and special district impacts.

SUMMARY

See Administrative Office of the Courts fiscal note for impact on city and county courts. Section 10 and 11 of the bill are assumed to result in traffic infractions for a lack of a valid vehicle registration rather than suspension of driver's licenses. Traffic infractions for lack of a valid vehicle registration would impact court and law enforcement; suspension of drivers licenses would impact the court, law enforcement, prosecutor, public defense and jail costs. Law enforcement cost impacts would be limited to records and infraction processing costs since most infractions are issued as a result of routine patrol or traffic enforcement activities. The number of infractions resulting from vehicle registration holds is unknown.

C. SUMMARY OF REVENUE IMPACTS

Briefly describe and quantify the revenue impacts of the legislation on local governments, identifying the revenue provisions by section number, and when appropriate, the detail of revenue sources. Delineate between city, county and special district impacts.

This bill may change the revenue authority of county or city governments with state toll facilities in the event that the state Department of Transportation certifies no later than December 1, 2012 that a statewide tolling operations center and photo toll system is fully operational. See Administrative Office of the Courts fiscal note for revenue impacts on Pierce and King counties related to the Tacoma Narrows bridge and SR 520 bridge. Traffic infraction revenue is currently a revenue of a local government's general fund. Statewide, approximately 70 percent of county general fund revenue supports the criminal justice system.

SOURCES CONSULTED

Administrative Office of the Courts caseload statistics

Washington State Office of Public Defense, Driving While License Suspended 3rd Degree, 2008

Department of Commerce jail, public defense and prosecutor cost models

State Auditors Office, Local Government Financial Reporting System, 2008 data

Department of Licensing



Multiple Agency Ten-Year Analysis Summary

Bill Number	Title
6499 E S SB	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 State Treasurer	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										
Department of Commerce	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0



Ten-Year Analysis

Bill Number 6499 E S SB	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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Narrative Explanation (Required for Indeterminate Cash Receipts)

The reduction in penalty revenue detailed in the cash receipts section of this note is not subject to the I-960 requirements.

Agency Preparation: Julia Appel	Phone: (360) 705-5229	Date: 2/23/2010 2:58:06 pm
Agency Approval: Dirk Marler	Phone: 360-705-5211	Date: 2/23/2010 2:58:06 pm
OFM Review: Clint McCarthy	Phone: 360-902-0419	Date: 2/23/2010 5:00:23 pm



Ten-Year Analysis

Bill Number 6499 E S SB	Title Tolls: collection, use, etc.	Agency 090 Office of State Treasurer
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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: Dan Mason	Phone: 360-902-9090	Date: 2/18/2010 11:00:33 am
Agency Approval: Dan Mason	Phone: 360-902-9090	Date: 2/18/2010 11:00:33 am
OFM Review: Clint McCarthy	Phone: 360-902-0419	Date: 2/23/2010 5:00:23 pm



Ten-Year Analysis

Bill Number 6499 E S SB	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: 2/17/2010 2:57:00 pm
Agency Approval: Aaron Butcher	Phone: 360-902-0406	Date: 2/17/2010 2:57:00 pm
OFM Review: Clint McCarthy	Phone: 360-902-0419	Date: 2/23/2010 5:00:23 pm



Ten-Year Analysis

Bill Number 6499 E S SB	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											
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Agency Preparation: Sam Knutson	Phone: (360) 902-3644	Date: 3/5/2010 12:46:47 pm
Agency Approval: Sam Knutson	Phone: (360) 902-3644	Date: 3/5/2010 12:46:47 pm
OFM Review: Clint McCarthy	Phone: 360-902-0419	Date: 2/23/2010 5:00:23 pm



Ten-Year Analysis

Bill Number 6499 E S SB	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(6) and 4(6)) This proposal would allow the Transportation Commission to assess an administrative fee for toll collection processes. At this time it is unknown if an administrative fee would be established or what amount would be set.

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

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Ten-Year Analysis

Revised

Bill Number 6499 E S SB	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)

10-yr Total	\$ 43 million	\$ 4.6 million	(combined total \$48 million)
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Agency Preparation: Mia Waters	Phone: 206-464-1209	Date: 2/22/2010 4:53:55 pm
Agency Approval: Craig Stone	Phone: 206-464-1222	Date: 2/22/2010 4:53:55 pm
OFM Review: Clint McCarthy	Phone: 360-902-0419	Date: 2/23/2010 5:00:23 pm



Ten-Year Analysis

Bill Number 6499 E S SB	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 2:10:32 pm
Agency Approval: Reema Griffith	Phone: 360-705-7070	Date: 2/18/2010 2:10:32 pm
OFM Review: Clint McCarthy	Phone: 360-902-0419	Date: 2/23/2010 5:00:23 pm