

Multiple Agency Fiscal Note Summary

Bill Number: 6455 SB	Title: Transportation revenue
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Estimated Cash Receipts

Agency Name	2011-13		2013-15		2015-17	
	GF- State	Total	GF- State	Total	GF- State	Total
Office of State Treasurer	Non-zero but indeterminate cost. Please see discussion."					
Department of Revenue	0	197,730,000	0	593,220,000	0	593,260,000
Department of Licensing	0	79,268,060	0	215,024,820	0	221,756,150
Total \$	0	276,998,060	0	808,244,820	0	815,016,150

Estimated Expenditures

Agency Name	2011-13			2013-15			2015-17		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Department of Revenue	.4	76,100	76,100	.0	0	0	.0	0	0
Department of Licensing	.0	0	481,500	.0	0	20,000	.0	0	20,000
Department of Transportation	.0	0	0	.0	0	0	.0	0	0
Total	0.4	\$76,100	\$557,600	0.0	\$0	\$20,000	0.0	\$0	\$20,000

Local Gov. Courts *									
Local Gov. Other **	Fiscal note not available								
Local Gov. Total									

Estimated Capital Budget Impact

NONE

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.

Prepared by: Erik Hansen, OFM	Phone: 360-902-0423	Date Published: Preliminary 1/26/2012
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID 31026

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 6455 SB	Title: Transportation revenue	Agency: 090-Office of State Treasurer
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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:

NONE

Estimated Capital Budget Impact:

NONE

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: 01/24/2012
Agency Preparation: Dan Mason	Phone: 360-902-9090	Date: 01/24/2012
Agency Approval: Dan Mason	Phone: 360-902-9090	Date: 01/24/2012
OFM Review: Cheri Keller	Phone: 360-902-0563	Date: 01/24/2012

Request # 062-1

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.

SB 6455 creates the transit service mitigation account and allows the account to retain its earnings from investments.

Earnings from investments:

Estimated earnings from investments are indeterminable because projected cash flows are needed to make the estimate and are currently unavailable. Earnings for an account are a function of the average daily balance of the account and the earnings rate of the investment portfolio. The average daily balance is a function of the beginning balance in the account and the timing & amount of receipts, disbursements, & transfers during the time period in question. Accordingly, even with a beginning balance of zero, two accounts with the same overall level of receipts, disbursements, and transfers can have different average daily balances, and hence different earnings.

For illustrative purposes, assume based on the November 2011 Revenue Forecast that the net rate for estimating earnings for FY 11 is 0.25%, FY 12 is 0.10%, and FY 13 is 0.10%. Approximately \$2,500 in FY 11, \$1,000 in FY 12, and \$1,000 in FY 13 in net earnings and \$5,000 in fees would be gained or lost annually for every \$1 million increase or decrease in average daily balance.

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.

SB 6455 creates the transit service mitigation account and allows the account to retain its earnings from investments.

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

NONE

Part IV: Capital Budget Impact

NONE

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.

Department of Revenue Fiscal Note

Bill Number: 6455 SB	Title: Transportation revenue	Agency: 140-Department of Revenue
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

Account	FY 2012	FY 2013	2011-13	2013-15	2015-17
NEW-State 00 - 00 -		350,000	350,000	1,080,000	1,120,000
NEW-State 00 - 01 -		197,380,000	197,380,000	592,140,000	592,140,000
Total \$		197,730,000	197,730,000	593,220,000	593,260,000

Estimated Expenditures from:

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years	0.1	0.6	0.4		
Account					
GF-STATE-State 001-1	11,800	64,300	76,100		
Total \$	11,800	64,300	76,100		

Estimated Capital Budget Impact:

NONE

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: 01/24/2012
Agency Preparation: Thomas Christensen	Phone: 360-534-1507	Date: 01/25/2012
Agency Approval: Don Gutmann	Phone: 360-534-1510	Date: 01/25/2012
OFM Review: Erik Hansen	Phone: 360-902-0423	Date: 01/26/2012

Request # 6455-1-1

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 bill description will reflect sections that affect the Department of Revenue. Those sections are 7, 13, 14, 15, and 16.

Section 7

A barrel fee of one dollar and fifty cents is to be imposed on each barrel of petroleum product handled in this state to be used for transportation purposes. The fee will be used only for maintaining and operating the state transportation system. Persons who have paid the fee on petroleum product used for other than transportation purposes may claim a refund or credit.

Section 13

A county may impose a local surcharge of not more than one percent of the value on vehicles registered to a person residing within the county. Exceptions apply. Funds must be used for transportation projects. Counties imposing this tax must negotiate inter-local agreements with cities and the transit agency within the county to distribute a portion of revenues to the cities and transit agency.

Sections 14 - 16

An additional five dollar fee is to be collected on the sale of each new tire sold that contains studs or is pinned for studs. Revenues are to be deposited in the state transportation operations and maintenance account. The Department of Revenue will incorporate a reconciliation of the number of tires sold and revenue collected into the agency's audit cycle. This fee does not apply to bicycle tires or retreaded vehicle tires. Sales tax does not apply to the studded tire fee.

This bill would take effect October 1, 2012.

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.

ASSUMPTIONS

- October 1, 2012, effective date
- The current tire replacement fee will still apply to studded tires, but there is an additional \$5 fee on each studded tire sold in the state.
- Revenues from the tire replacement fee are projected to grow 1.8 percent each year. This same growth rate is assumed for studded tire sales.
- Studded tires are replaced every five years compared to 3.3 years for standard tires.
- The fee will increase the average price of studded tires by four percent. Using general sales tax elasticity, consumption of studded tires will decrease by four percent.

DATA SOURCES

- Washington Research Council - 2008 Washington Refinery Study
- Energy Information Administration petroleum production data 2011
- Department of Revenue excise tax data
- 2008 Department of Transportation Studded Tire Report
- Northwest Tire Dealers Association
- Non-General Fund forecast - November, 2011

REVENUE ESTIMATE

This estimate reflects revenue amounts for the studded tire fee and petroleum products barrel fee. It is unknown which jurisdictions would participate in the voluntary one percent vehicle excise tax; therefore, local revenue impacts are indeterminate. Estimated revenue to the state transportation operations and maintenance account for the 2013 and 2015 Biennia are \$197,730,000 and \$593,220,000, respectively.

TOTAL REVENUE IMPACT:

State Government (cash basis, \$000):

FY 2012 -	\$ 0
FY 2013 -	\$ 197,730
FY 2014 -	\$ 296,605
FY 2015 -	\$ 296,615
FY 2016 -	\$ 296,625
FY 2017 -	\$ 296,635

Local Government, if applicable (cash basis, \$000): indeterminate

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

ASSUMPTIONS:

*Expenditures assume less than 1,000 taxpayers will be affected by this proposal.

*Effective date of October 1, 2012.

FIRST YEAR COSTS:

The Department will incur costs of \$11,800 in Fiscal Year 2012. These costs include:

Labor Costs – Time and effort equates to 0.13 FTEs.

- Develop new quantity line codes,
- Program system changes, and
- Test system changes.

SECOND YEAR COSTS:

The Department will incur costs of \$64,300 in Fiscal Year 2013. These costs include:

Labor Costs – Time and effort equates to 0.63 FTEs.

- Amend one WAC,
- Respond to taxpayer questions by phone and email, and
- Resolve additional error and out of balance returns.

ONGOING COSTS:

The Department will have no ongoing costs after implementation of this legislation.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years	0.1	0.6	0.4		
A-Salaries and Wages	7,000	38,900	45,900		
B-Employee Benefits	2,100	11,700	13,800		
E-Goods and Services	1,900	9,500	11,400		
J-Capital Outlays	800	4,200	5,000		
Total \$	\$11,800	\$64,300	\$76,100		

III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2012	FY 2013	2011-13	2013-15	2015-17
EXCISE TAX EX 2	41,316		0.1	0.1		
EXCISE TAX EX 4	54,156	0.1		0.1		
HEARINGS SCHEDULER	31,704		0.0	0.0		
IT SPEC 4	61,296		0.1	0.1		
IT SPEC 5	67,668		0.4	0.2		
TAX POLICY SP 2	59,784		0.0	0.0		
TAX POLICY SP 3	67,668		0.0	0.0		
WMS BAND 3	84,691		0.0	0.0		
Total FTE's	468,283	0.1	0.6	0.4		

Part IV: Capital Budget Impact

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

None.

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.

Should this legislation become law, the Department will use the expedited process to amend WAC 458-20-272, titled: "Tire fee - Core deposits or credits." Persons affected by this rule-making would include retailers and purchasers of studded tires.

Individual State Agency Fiscal Note

Bill Number: 6455 SB	Title: Transportation revenue	Agency: 240-Department of Licensing
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Part I: Estimates



No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2012	FY 2013	2011-13	2013-15	2015-17
State Patrol Highway Account-State 081-1		13,149,290	13,149,290	40,248,310	41,446,620
Small City Pavement and Sidewalk Account-State 08M-1		2,269,970	2,269,970	6,234,640	6,420,270
Transportation Partnership Account-State 09H-1		(773,990)	(773,990)	(40)	(40)
Motor Vehicle Account-State 108-1		29,124,180	29,124,180	71,090,910	73,649,070
Puget Sound Ferry Operations Account-State 109-1		(91,330)	(91,330)	2,010	2,070
Transportation Improvement Account-State 144-1		9,098,120	9,098,120	24,988,670	25,732,640
County Arterial Preservation Account-State 186-1		11,368,100	11,368,100	31,223,310	32,152,910
Multimodal Transportation Account-State 218-1		4,470,820	4,470,820	11,013,300	11,229,070
Transportation 2003 Account (Nickel Account)-State 550-1		(350,540)	(350,540)	1,950	2,000
Transit Service Mitigation (New)-State NEW-1		11,003,440	11,003,440	30,221,760	31,121,540
Total \$		79,268,060	79,268,060	215,024,820	221,756,150

Estimated Expenditures from:

Account	FY 2012	FY 2013	2011-13	2013-15	2015-17
Motor Vehicle Account-State 108 -1	0	481,500	481,500	20,000	20,000
Total \$	0	481,500	481,500	20,000	20,000

Estimated Capital Budget Impact:

NONE

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.

Request # 6455 SB-1

Form FN (Rev 1/00)

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Bill # 6455 SB

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: 01/24/2012
Agency Preparation: Sally McVaugh	Phone: (360) 902-3642	Date: 01/25/2012
Agency Approval: Sam Knutson	Phone: (360) 902-3644	Date: 01/25/2012
OFM Review: Erik Hansen	Phone: 360-902-0423	Date: 01/25/2012

Request # 6455 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 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years					
E-Goods and Services		401,500	401,500	20,000	20,000
J-Capital Outlays		80,000	80,000		
Total:	\$0	\$481,500	\$481,500	\$20,000	\$20,000

III. C - Expenditures By Program (optional)

Program	FY 2012	FY 2013	2011-13	2013-15	2015-17
Information Services (200)		391,500	391,500		
Customer Relations (300)		90,000	90,000	20,000	20,000
Total \$		481,500	481,500	20,000	20,000

Part IV: Capital Budget Impact

NONE

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 increases vehicle license fees and establishes a \$100 electric vehicle license fee.

This bill has an effective date of October 1, 2012 except for the electric vehicle roadway impact fee imposed in Section 17 which is effective with registrations due on or after March 1, 2013. DOL can meet the implementation date for Section 17. For Section 20, DOL is requesting rewording to contain language similar to “*This act applies to vehicle registrations that are due or become due on or after October 1, 2012.*” **For purposes of this fiscal note, DOL is assuming an October 1, 2012 implementation date.**

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

Section 2 revises RCW 46.16.355 by increasing the weight fees due at the time of vehicle registration for those vehicles described in RCW 46.16A.455.

Section 3 amends RCW 46.68.035 by changing the distribution of revenue and requiring license tab fees collected for private use single axle trailers to be distributed by percentage to various accounts.

Section 4 amends RCW 46.17.365 by removing the formula to determine the motor vehicle weight fee and replacing it with a flat fee schedule.

Section 5 amends RCW 46.17.350 by changing the distribution of commercial trailer license tab fees.

Section 6 amends RCW 46.68.415 by changing the distribution of the motor vehicle weight fees imposed in RCW 46.17.365.

Section 7 creates a new section in chapter 46.68 RCW which establishes a \$1.50 per barrel fee for refined petroleum products and directs the distribution of revenue. **The new per barrel fee will be collected by the Department of Revenue (DOR).**

Section 8 creates a new section in chapter 46.68 RCW which establishes the State Transportation Operations and Maintenance Account.

Section 9 creates a new section in chapter 46.68 RCW which establishes the Transit Service Mitigation Account. All revenue collected under RCW 46.68.415 (1) (c) must be deposited in the account.

Section 12 amends RCW 36.73.065 by increasing the authorized transportation benefit district vehicle fee from \$20 to \$40.

Section 13 adds a new section to chapter 82.80 RCW which:

- Authorizes counties to assess a surcharge up to one percent of the value of qualifying vehicles;
- Exempts specific vehicles from the surcharge;
- Requires counties imposing the surcharge to contract with DOL;
- Authorizes DOL to keep a portion of the surcharge for collection and administrative expenses;
- Limits the surcharge expenditures to transportation related projects.

Section 14 amends RCW 46.37.420 by creating a \$5 studded tire fee. **This fee is collected by DOR.**

Section 17 creates a new section in chapter 46.17 RCW which establishes a \$100 electric vehicle license fee and exempts certain vehicles from the fee based on miles per hour restrictions. These fees are to be deposited into the Motor Vehicle Account unless the proceeds exceed one million dollars at which time seventy percent is to be deposited to the Motor Vehicle Account, fifteen percent to the Transportation

Improvement Account, and fifteen percent to the Rural Arterial Trust Account. This fee applies to annual vehicle registration renewals that are due on or after March 1, 2013.

Section 18 creates expiration language for the electric vehicle license fee linked to vehicle miles traveled legislation when/if enacted by the Legislature.

Section 19 requires DOL to provide written notice when the \$100 electric vehicle license fee statute expires.

Section 20 creates an October 1, 2012 effective date for this act.

II. B – Cash Receipt Impact

The Transportation Revenue Forecast as adopted in November 2011 is used to estimate revenue impacts of this bill.

Section 2 (effective October 2012) increases combined license fees by \$15 for smaller trucks and 15 percent for larger trucks 8,000 lbs and over.

Section 4 (effective October 2012) removes the current formula to determine the passenger type vehicle weight fees and replaces it with a flat fee schedule which increases passenger type vehicle weight fees by \$15.

Section 17 (effective March 2013) imposes a new electric vehicle license fee of \$100 each.

Current Revenue	FY 13	FY 14	FY 15	FY 16	FY 17
Trucks	\$ 169,155,570	\$ 171,477,380	\$ 174,007,870	\$ 176,546,190	\$ 179,082,300
Passenger Cars	\$ 41,284,900	\$ 55,800,690	\$ 56,617,730	\$ 57,438,570	\$ 58,260,330
Electric Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -

Proposed Revenue	FY 13	FY 14	FY 15	FY 16	FY 17
Trucks	\$ 195,483,870	\$ 206,353,820	\$ 209,398,970	\$ 212,453,560	\$ 215,505,480
Passenger Cars	\$ 94,163,580	\$ 127,265,630	\$ 129,121,820	\$ 130,987,110	\$ 132,855,030
Electric Vehicles	\$ 61,080	\$ 334,540	\$ 453,710	\$ 565,070	\$ 717,290

Revenue Impact	FY 13	FY 14	FY 15	FY 16	FY 17
Trucks	\$ 26,328,300	\$ 34,876,440	\$ 35,391,100	\$ 35,907,370	\$ 36,423,180
Passenger Cars	\$ 52,878,680	\$ 71,464,940	\$ 72,504,090	\$ 73,548,540	\$ 74,594,700
Electric Vehicles	\$ 61,080	\$ 334,540	\$ 453,710	\$ 565,070	\$ 717,290

REVENUE DETAIL

Cash Receipts

	FY 12	FY 13	11-13 Total	13-15 Total	15-17 Total
Nickel Account		(350,540)	(350,540)	1,950	2,000
State Patrol Highway		13,149,290	13,149,290	40,248,310	41,446,620
Motor Vehicle		29,124,180	29,124,180	71,090,910	73,649,070
Puget Sound Ferry Operations		(91,330)	(91,330)	2,010	2,070
MultiModal		4,470,820	4,470,820	11,013,300	11,229,070
Transportation Partnership Account (09H)		(773,990)	(773,990)	(40)	(40)
Rural Arterial Trust Account (102)		-	-	-	-
Transit Service Mitigation (New)		11,003,440	11,003,440	30,221,760	31,121,540
County Arterial Preservation Account (186)		11,368,100	11,368,100	31,223,310	32,152,910
Transportation Improvement Account (144)		9,098,120	9,098,120	24,988,670	25,732,640
Small City Pavement and Sidewalk Account (08M)		2,269,970	2,269,970	6,234,640	6,420,270
Total Revenue	-	79,268,060	79,268,060	215,024,820	221,756,150

II. C – Expenditures

The Information Services Division (ISD) will need to program and test the DOL computer systems to meet the requirements of this bill. The systems impacted are the Vehicle Field System, the Vehicle Fee Distribution system, the Vehicle Headquarters System Renewal Process, the Revenue System for refunds, the Revenue System for revenue valuations, and the Vehicle Internet Tab Renewal. ISD will need to hire application programmers for twenty months for project support to assist internal staff also working on the project. The cost is projected to be \$391,500 including project contingency.

The Customer Service Center will receive calls from customers inquiring about the fee changes. To provide service to the department's customers and keep staff costs low, the department is assuming the purchase of an upgraded Interactive Voice Response (IVR) system. This system will provide self-service options for callers and enable staff to focus on more complicated customer issues. The purchase of an IVR system is estimated at \$80,000 in Fiscal Year 2013 and is a one-time cost. An additional \$10,000 per year is estimated for maintenance costs and is considered ongoing.

Part III: Expenditure Detail

III. A – Expenditures by Object or Purpose

	FY 12	FY 13	11-13 Total	13-15 Total	15-17 Total
Goods and Services		401,500	401,500	20,000	20,000
Equipment		80,000	80,000		
TOTAL		481,500	481,500	20,000	20,000

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

Object E Breakdown:	FY 12	FY 13	11-13 Total	13-15 Total	15-17 Total
ER Application Programmers		391,500	391,500		
EY Software Maintenance		10,000	10,000	20,000	20,000
Total Goods & Svcs		401,500	401,500	20,000	20,000

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 12	FY 13	11-13 Total	13-15 Total	15-17 Total
200 - Information Services		391,500	391,500		
300 - Customer Relations		90,000	90,000	20,000	20,000
<i>Total</i>	-	481,500	481,500	20,000	20,000

Part IV: Capital Budget Impact

None

Part V: New Rule Making Required

None

Individual State Agency Fiscal Note

Bill Number: 6455 SB	Title: Transportation revenue	Agency: 405-Department of Transportation
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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.

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

Legislative Contact:	Phone:	Date: 01/24/2012
Agency Preparation: Rich Struna	Phone: 360-705-7120	Date: 01/24/2012
Agency Approval: Amy Arnis	Phone: 360-705-7525	Date: 01/24/2012
OFM Review: Erik Hansen	Phone: 360-902-0423	Date: 01/24/2012

Request # 12-036-1

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 bill increases a series of existing transportation related fees, implements a new fee on petroleum products, authorizes local tax authority, and creates new accounts for depositing the revenues collected by the state.

A number of sections in the bill specify the intended purpose of the new or additional revenue:

Section 1 and 7: The barrel fee identified in this act is levied only for highway purposes provided in Article II, Section 40 of the State Constitution, specifically for the operation and maintenance of state roads and highways and state ferries.

This fee is deposited in the State Operations and Maintenance Account created in Section 8. Section 7(4)(a) specifies that \$25 million annually will be used for stormwater retrofit projects.

Section 3: 66.344% of the additional license fee by weight registered under RCW 46.17.350(1)(c), 46.17.355, and 46.17.400(1)(c) must be deposited in the Motor Vehicle Account, in which a minimum of \$30 million annually must be dedicated to pavement preservation.

Section 6: The eligibility of the additional Motor Vehicle Weight Fees imposed in Section 6 has been expanded in RCW 46.68.415(2)(c) to include passenger rail service.

Section 9: The Transit Services Mitigation Account is created with revenues received under RCW 46.68.415(1)(c). Expenditures from the account must be used for grants to public transit agencies to provide passengers access to jobs, schools, and other destinations as required in Section 11.

Section 14: A \$5 dollar fee on the sale of each new studded tire must be deposited in the State Transportation Operations and Maintenance Account for the operation and maintenance of state roads and highways and state ferries.

It is assumed that these increases provide the revenue stream for the Governor's proposed Operations & Maintenance (O&M) investment package. The O&M investment proposal would provide over \$3.0 billion in funds to department programs over the next 10 years; funded through a combination of fee increases included in this bill. No appropriations are currently included in the bill as drafted.

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.

No cash receipts are collected by WSDOT based on the changes in this bill.

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.

No appropriations are currently identified in the bill draft. While the bill does not require WSDOT expenditures, it is assumed that the new revenues will be directed to transportation purposes specified in the bill and appropriated through the state budget process.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

NONE

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.

N/A