

Multiple Agency Fiscal Note Summary

Bill Number: 5259 SB	Title: Seattle U license plates
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Estimated Cash Receipts

Agency Name	2013-15		2015-17		2017-19	
	GF- State	Total	GF- State	Total	GF- State	Total
Department of Licensing	0	50,000	0	82,400	0	82,800
Department of Corrections	0	4,179	0	2,200	0	1,056
Total \$	0	54,179	0	84,600	0	83,856

Estimated Expenditures

Agency Name	2013-15			2015-17			2017-19		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Licensing	.0	0	65,786	.0	0	3,440	.0	0	1,718
Department of Corrections	.0	0	3,943	.0	0	2,076	.0	0	997
Total	0.0	\$0	\$69,729	0.0	\$0	\$5,516	0.0	\$0	\$2,715

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: Kate Davis, OFM	Phone: (360) 902-0570	Date Published: Final 2/27/2013
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID 34744

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 5259 SB	Title: Seattle U license plates	Agency: 240-Department of Licensing
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT		FY 2014	FY 2015	2013-15	2015-17	2017-19
Motor Vehicle Account-State	108-1	16,000	34,000	50,000	18,280	7,760
Seattle University Special Plate Account-State	NEW-1				64,120	75,040
Total \$		16,000	34,000	50,000	82,400	82,800

Estimated Expenditures from:

		FY 2014	FY 2015	2013-15	2015-17	2017-19
Account						
Motor Vehicle Account-State	108-1	62,093	3,693	65,786	3,440	1,718
Total \$		62,093	3,693	65,786	3,440	1,718

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:	Amanda Cecil	Phone: 360-786-7429	Date: 01/23/2013
Agency Preparation:	Sally McVaugh	Phone: (360) 902-3642	Date: 01/29/2013
Agency Approval:	Sam Knutson	Phone: (360) 902-3644	Date: 01/29/2013
OFM Review:	Jim Albert	Phone: (360) 902-0419	Date: 01/29/2013

Request # 5259 SB-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.

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 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years					
E-Goods and Other Services	62,093	3,693	65,786	3,440	1,718
Total:	\$62,093	\$3,693	\$65,786	\$3,440	\$1,718

III. C - Expenditures By Program (optional)

Program	FY 2014	FY 2015	2013-15	2015-17	2017-19
Mgmt & Support Services (100)	2,672	3,693	6,365	3,440	1,718
Information Services (200)	59,421		59,421		
Total \$	62,093	3,693	65,786	3,440	1,718

Part IV: Capital Budget Impact

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.

None.

Part II: Explanation

This bill requires The Department of Licensing (DOL) to approve and issue Seattle University special license plates.

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

Section 1 adds Seattle University to the list of special license plates in RCW 46.18.200.

Section 2 makes the original fee for a Seattle University special license plate \$40, \$12 of which will be deposited in the Motor Vehicle Account, and the renewal fee for each plate \$30, \$2 of which will be deposited in the Motor Vehicle Account.

Section 3 (2) directs the State Treasurer to credit the entire proceeds from the Seattle University special license plates fees to the Motor Vehicle Account until the department determines that the state has been reimbursed for the start-up costs of implementing these special license plates. The remainder of the funds from the Seattle University special plate fees will go to fund scholarships for students attending or planning to attend Seattle University.

Section 7 makes this act effective January 1, 2014.

<u>Workload Indicator</u>	<u>FY 14</u>	<u>FY 15</u>	<u>13-15 Total</u>	<u>15-17 Total</u>	<u>17-19 Total</u>
Seattle University Original	400	550	950	500	240
Seattle University Renewals	-	400	400	2,080	2,440

II. B – Cash Receipt Impact

This bill will have an impact on cash receipts. This bill creates the Seattle University special license plate and establishes the fees of \$40 for an original and \$30 for a renewed plate, and establishes the distribution of those fees.

There is no information on how many customers will purchase these plates. It is assumed that these new special plate sales will be similar to the sales experience for the existing Gonzaga University special plates in the first five years of its implementation. It is also assumed that a majority of the plates will be purchased in the first five years. For the purposes of this analysis, plate replacement and plate reflectivity are not considered as part of the revenue impact. The start-up costs for the plate's implementation are estimated to be \$59,421 and are anticipated to be recovered by the end of Fiscal Year 2016. The bill's effective date is January 1, 2014 so the revenue impact for Fiscal Year 2014 is a partial year.

The following table illustrates the cash receipts.

<u>Cash Receipts</u>	<u>FY 14</u>	<u>FY 15</u>	<u>13-15 Total</u>	<u>15-17 Total</u>	<u>17-19 Total</u>
General Fund-State	-	-	-	-	-
Motor Vehicle Account	16,000	34,000	50,000	18,280	7,760
Seattle U Special Plate Account			-	64,120	75,040
Total Revenue	16,000	34,000	50,000	82,400	82,800

II. C – Expenditures

RCW 46.68.420 requires the sponsoring organization to reimburse the state for the cost of implementing a special plate. Below is an outline of these one-time costs. DOL's information technology costs are the same if the agency implements one or multiple special plates at the same time. If multiple special license

plates are approved, each sponsoring organization would pay their proportional share of the one-time implementation costs.

The start-up costs for programming and testing of DOL's computer systems to enable customers to request these new special license plates is estimated to take 3.4 months. The work will involve programming of the vehicle field system (VFS), vehicle headquarters system (VHS), internet payment option (IPO), DOL revenue system, and various other applications. The agency will hire contract programmers to accomplish the work. Detail of information systems modifications, contract rates, and costs are provided in the table below.

Breakdown of startup costs:

Cost Category	Description	Hours	Months	Rate	Cost
Contract IS Project Manager	Manage schedule and contracts	30	0.25	\$26,100	\$6,525
Contract IS Project Analyst	Determine business requirements. Translate requirements into what changes need to be made to the various computer systems, including such items as new account codes, new inventory codes, testing considerations, etc.	20	0.1	\$22,620	\$2,262
Contract IS Project Developers and Testers	Modifying programming and coding to all major vehicles-related and revenue-related systems, including Headquarters/Field Systems and Internet. Test to verify individual components meet the requirements, and that other business transactions have not been impacted.	500	3.0	\$16,878	\$50,634
		550	3.4		\$59,421

There will be ongoing costs associated with purchasing the plates and postage. These costs have been estimated at \$4,237 for the 2013-2015 Biennium.

Part III: Expenditure Detail

III. A – Expenditures by Object or Purpose

	FY 14	FY 15	13-15 Total	15-17 Total	17-19 Total
FTE Staff Years					
Salaries and Wages					
Employee Benefits					
Personal Service Contracts					
Goods and Services	62,093	3,693	65,786	3,440	1,718
Travel					
Equipment					
Other					
Other					
TOTAL	62,093	3,693	65,786	3,440	1,718

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

Object E Breakdown:	<u>FY 14</u>	<u>FY 15</u>	<u>13-15 Total</u>	<u>15-17 Total</u>	<u>17-19 Total</u>
EA Plates & Tabs	1,776	2,461	4,237	2,320	1,181
EB Postage	896	1,232	2,128	1,120	537
ER Application Programmers	59,421		59,421		
Total Goods & Svcs	62,093	3,693	65,786	3,440	1,718

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

Job Classification	Salary	<u>EXPENDITURE DETAIL – STAFF</u>				
		<u>FY 14</u>	<u>FY 15</u>	<u>13-15 Total</u>	<u>15-17 Total</u>	<u>17-19 Total</u>
Total FTEs		0.0	0.0	0.0	0.0	0.0

III. B – Expenditures by Program (optional)

Program	FY 14	FY 15	13-15 Total	15-17 Total	17-19 Total
100 - Mgmt & Support Services	2,672	3,693	6,365	3,440	1,718
200 - Information Services	59,421		59,421		
300 - Customer Relations					
600 - Programs & Services					
700 - Business & Professions					
<i>Total</i>	62,093	3,693	65,786	3,440	1,718

Part IV: Capital Budget Impact

None

Part V: New Rule Making Required

None

Individual State Agency Fiscal Note

Bill Number: 5259 SB	Title: Seattle U license plates	Agency: 310-Department of Corrections
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2014	FY 2015	2013-15	2015-17	2017-19
Correctional Industries	1,760	2,419	4,179	2,200	1,056
Account-Non-Appropriated 401-6					
Total \$	1,760	2,419	4,179	2,200	1,056

Estimated Expenditures from:

	FY 2014	FY 2015	2013-15	2015-17	2017-19
Account					
Correctional Industries	1,660	2,283	3,943	2,076	997
Account-Non-Appropriated 401-6					
Total \$	1,660	2,283	3,943	2,076	997

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: Amanda Cecil	Phone: 360-786-7429	Date: 01/23/2013
Agency Preparation: Wes Thomte	Phone: 360-725-8256	Date: 02/05/2013
Agency Approval: Sarian Scott	Phone: (360) 725-8270	Date: 02/05/2013
OFM Review: Kate Davis	Phone: (360) 902-0570	Date: 02/05/2013

Request # 051-1

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.

Section 1(2) amends RCW 46.18.200 to add Washington's Seattle University to the list of special license plates that are approved by and will be issued by the Department of Licensing (DOL).

Section 2(1) amends RCW 46.17.220 to add Washington's Seattle University to the license plate fee list with an initial fee of \$40.00 and a renewal fee of \$30.00, distributed under RCW 46.68.420.

Section 3(2) amends RCW 46.68.420 to add Washington's Seattle University to the list of special license plate accounts and provides conditions for the use of funds generated from the sale of the plates. The funds will be used to fund scholarships for students attending or planning to attend Seattle University.

Section 4(4) amends RCW 46.18.060 to add Washington's Seattle University license plates to the list of special plates that do not fall under the limitations under subsection (3) of this section.

Section 5 is a new section and amends RCW 46.04 to define Seattle University license plates.

Section 6 is a new section that this act takes effect January 1, 2014.

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.

There are cash receipt impacts to the Correctional Industries revolving fund (account 401).

The Department of Corrections (DOC) Correctional Industries (CI) produces license plates for DOL and as a result of this bill will have an increase in production. The cost to DOL for license plates is seen in the cash receipt impact. The cost of specialty license plates is \$4.40 per set and \$2.17 for singles. Given the estimated quantities needed by DOL based on this bill, the cash receipt impact by Fiscal Year is shown below.

DOL estimates they will purchase the following number of Support Public Schools special license plates from CI:

FY14: 400 sets
FY15: 550 sets
FY16: 350 sets
FY17: 150 sets
FY18: 130 sets
FY19: 110 sets

The estimated total cost for CI to produce license plates is \$4.40/set or \$2.17/single. Based on the number of plates estimated to be purchased, the projected revenue generated to CI non-appropriated revolving fund is:

FY14: \$ 1,760
FY15: \$ 2,419
FY16: \$ 1,540
FY17: \$ 660
FY18: \$ 572
FY19: \$ 484

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.

This bill results in workload impact to DOC CI. Estimated costs are shown. License plates are manufactured by offenders who are paid an average of \$0.98/hour for this line of business. Given the increase in license plates purchased, we will have additional costs associated with offender pay, and raw material costs to produce the plates.

Assumptions:

1. DOL will purchase license plates from DOC CI.
2. The cost to DOL per set of license plates is \$4.40.
3. CI license plate production costs are \$4.15 per set of plates.
4. DOC CI production costs by fiscal year follows:

FY14: \$1,660
FY15: \$2,283
FY16: \$1,453
FY17: \$ 623
FY18: \$ 540
FY19: \$ 457

5. The hourly offender wage is \$0.98.
6. Increased production of license plates affords offender jobs. Offender jobs reduce idleness and provide offenders with much needed job skills.
7. Projected revenue is slightly higher than the expenditures. The difference is administrative costs to run the program.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other 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-Other	1,660	2,283	3,943	2,076	997
Total:	\$1,660	\$2,283	\$3,943	\$2,076	\$997

III. C - Expenditures By Program (optional)

Program	FY 2014	FY 2015	2013-15	2015-17	2017-19
Correctional Industries (400)	1,660	2,283	3,943	2,076	997
Total \$	1,660	2,283	3,943	2,076	997

Part IV: Capital Budget Impact

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.

None



Multiple Agency Ten-Year Analysis Summary

Bill Number	Title
5259 SB	Seattle U license plates

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

Estimated Cash Receipts

	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	2014-23 TOTAL
Department of Licensing	16,000	34,000	41,300	41,100	41,200	41,600	41,800	42,700	43,600	44,500	387,800
Department of Corrections	0	0	0	0	0	0	0	0	0	0	0
Total	16,000	34,000	41,300	41,100	41,200	41,600	41,800	42,700	43,600	44,500	387,800



Ten-Year Analysis

Bill Number 5259 SB	Title Seattle U license plates	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

Estimated Cash Receipts

Name of Tax or Fee	Acct Code	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	2014-23 TOTAL
Seattle U. Plate	108	16,000	34,000	14,140	4,140	3,960	3,800	3,720	3,780	3,840	3,900	91,280
Seattle U. Plate	New			27,160	36,960	37,240	37,800	38,080	38,920	39,760	40,600	296,520
Total		16,000	34,000	41,300	41,100	41,200	41,600	41,800	42,700	43,600	44,500	387,800
Biennial Totals		50,000		82,400		82,800		84,500		88,100		387,800

Narrative Explanation (Required for Indeterminate Cash Receipts)

Section 1 adds Seattle University to the list of special license plates in RCW 46.18.200.

Section 2 makes the original fee for a Seattle University special license plate \$40, \$12 of which will be deposited in the Motor Vehicle Account, and the renewal fee for each plate \$30, \$2 of which will be deposited in the Motor Vehicle Account.

Section 3 (2) directs the State Treasurer to credit the entire proceeds from the Seattle University special license plates fees to the Motor Vehicle Account until the department determines that the state has been reimbursed for the start-up costs of implementing these special license plates. The remainder of the funds from the Seattle University special plate fees will go to fund scholarships for students attending or planning to attend Seattle University.

There is no information on how many customers will purchase these plates. It is assumed that these new special plate sales will be similar to the sales experience for the existing Gonzaga University special plates in the first five years of its implementation. It is also assumed that a majority of the plates will be purchased in the first five years. For the purposes of this analysis, plate replacement and plate reflectivity are not considered as part of the revenue impact. The start-up costs for the plate's implementation are estimated to be \$59,421 and are anticipated to be recovered by the end of Fiscal Year 2016. The bill's effective date is January 1, 2014 so the revenue impact for Fiscal Year 2014 is a partial year.



Ten-Year Analysis

Revised

Bill Number	Title	Agency
5259 SB	Seattle U license plates	240 Department of Licensing

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)

Agency Preparation: Sally McVaugh	Phone: (360) 902-3642	Date: 1/29/2013 4:10:37 pm
Agency Approval: Sam Knutson	Phone: (360) 902-3644	Date: 1/29/2013 4:10:37 pm
OFM Review: Jim Albert	Phone: (360) 902-0419	Date: 1/29/2013 4:18:41 pm



Ten-Year Analysis

Bill Number 5259 SB	Title Seattle U license plates	Agency 310 Department of Corrections
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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)

No tax or fee impact to Department of Corrections associated with this bill.

Agency Preparation: Wes Thomte	Phone: 360-725-8256	Date: 2/5/2013 4:12:18 pm
Agency Approval: Sarian Scott	Phone: (360) 725-8270	Date: 2/5/2013 4:12:18 pm
OFM Review: Jim Albert	Phone: (360) 902-0419	Date: 1/29/2013 4:18:41 pm