

Multiple Agency Fiscal Note Summary

Bill Number: 5785 SB	Title: License plates/display, etc.
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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	24,693,300	0	38,097,000	0	36,158,700
Department of Corrections	0	739,167	0	1,475,582	0	1,233,424
Department of Transportation	Non-zero but indeterminate cost. Please see discussion."					
Total \$	0	25,432,467	0	39,572,582	0	37,392,124

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	.5	0	652,388	.0	0	1,164,863	.0	0	913,396
Department of Corrections	.0	0	701,766	.0	0	1,400,951	.0	0	1,171,028
Department of Transportation	.0	0	0	.0	0	0	.0	0	0
Total	0.5	\$0	\$1,354,154	0.0	\$0	\$2,565,814	0.0	\$0	\$2,084,424

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: Jim Albert, OFM	Phone: (360) 902-0419	Date Published: Final 4/29/2013
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID 35688

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 5785 SB	Title: License plates/display, etc.	Agency: 240-Department of Licensing
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Part I: Estimates



No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2014	FY 2015	2013-15	2015-17	2017-19
State Patrol Highway Account-State 081-1	2,588,420	5,234,940	7,823,360	10,641,990	10,840,840
Recreational Vehicle Account-State 097-1	16,400	33,200	49,600	67,500	68,700
Transportation Partnership Account-State 09H-1	161,080	325,770	486,850	662,260	674,610
Motor Vehicle Account-State 108-1	3,760,140	8,852,540	12,612,680	21,641,590	19,474,820
Puget Sound Ferry Operations Account-State 109-1	123,220	249,220	372,440	506,640	516,100
Multimodal Transportation Account-State 218-1	1,071,800	2,055,500	3,127,300	4,276,300	4,277,300
Transportation 2003 Account (Nickel Account)-State 550-1	73,140	147,930	221,070	300,720	306,330
Total \$	7,794,200	16,899,100	24,693,300	38,097,000	36,158,700

Estimated Expenditures from:

	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years	0.5	0.5	0.5	0.0	0.0
Account					
Motor Vehicle Account-State 108 -1	247,171	405,217	652,388	1,164,863	913,396
Total \$	247,171	405,217	652,388	1,164,863	913,396

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 # 5785 SB-2

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: 02/14/2013
Agency Preparation:	Sally McVaugh	Phone: (360) 902-3642	Date: 04/26/2013
Agency Approval:	Sam Knutson	Phone: (360) 902-3644	Date: 04/26/2013
OFM Review:	Jim Albert	Phone: (360) 902-0419	Date: 04/26/2013

Request # 5785 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	0.5	0.5	0.5		
A-Salaries and Wages	18,516	18,516	37,032		
B-Employee Benefits	7,917	7,917	15,834		
E-Goods and Other Services	213,588	378,784	592,372	1,164,863	913,396
J-Capital Outlays	7,150		7,150		
Total:	\$247,171	\$405,217	\$652,388	\$1,164,863	\$913,396

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 2014	FY 2015	2013-15	2015-17	2017-19
Custr Service Spec 2	35,652	0.5	0.5	0.5		
Total FTE's	35,652	0.5	0.5	0.5		0.0

III. C - Expenditures By Program (optional)

Program	FY 2014	FY 2015	2013-15	2015-17	2017-19
Mgmt & Support Services (100)	208,886	558,306	767,192	1,532,311	1,280,844
Information Services (200)	92,965	908	93,873		
Customer Relations (300)	(54,680)	(153,997)	(208,677)	(367,448)	(367,448)
Total \$	247,171	405,217	652,388	1,164,863	913,396

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.

Request # 5785 SB-2

Part II: Explanation

This bill modifies the replacement of license plates. It requires standard issue license plates to be replaced when ownership of the vehicle changes but the registered owner may retain the license plates and transfer them to a replacement vehicle of the same use. For vehicles sold to a dealer, the replacement of plates does not need to be made until the dealer sells the vehicle. This bill also eliminates the periodic replacement of vehicle license plates.

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

Section 1(8) requires standard issue plates to be replaced upon change in ownership. It allows the owner to retain the plates for a replacement vehicle of the same use and requires all other taxes and fees due upon change in ownership to be paid.

Section 1 (9) requires a new owner to apply for a replacement plate(s) when taking ownership of a vehicle. It requires the Department of Licensing (DOL) to offer the owner the option of retaining the current license plate number when requesting a replacement.

Section 1 (9) (c) states that for vehicles sold to a dealer, the replacement of plates does not need to be made until the dealer sells the vehicle.

Section 1 (10) eliminates the periodic replacement of license plates.

Section 2 states that the new registration is for a twelve-month period, unless there is a change in ownership during that time period, in which case the registration expires.

Section 3 requires a new owner to apply for a renewal of vehicle registration. When the vehicle is sold to a dealer for resale, the dealer is not required to renew registration. The renewal will be made upon sale by the dealer.

Sections 5 and 6 remove the language that states discontinued plates are valid until replaced.

Section 7 makes this act applicable to vehicle registrations that are due or become due on or after January 1, 2014.

Note: The workload table above represents the revenue impact by transaction type. The cash receipt table below represents the same total revenue impact, displayed by account/fund.

II. B – Cash Receipt Impact

Cash receipts will be impacted by this bill. DOL assumes the following:

- Vehicle owners will replace their license plates when transferring ownership of their vehicle. The vehicle's annual registration period is reset at the time of change in ownership and the vehicle will be subject to registration fees.
- The reflectivity fee would still be charged for plate issues at the current rate of \$2 per plate.
- Due to the transfer of ownership changing the registration cycle, only 35% of the registration related fees are assumed to be paid twice. Some vehicles will not have current registration and some vehicles will have a few months left on their registration. Of the vehicles with a few months left on their registration, when the registration cycle is reset, the revenue would not be received in that subsequent timeframe.
- The current seven year mandatory replacement cycle is eliminated. Some plates will continue to be replaced due to plates that are illegible, destroyed, or lost. Voluntary replacement plates would pay a plate replacement fee at the current rate of \$10 per plate, and \$4 for motorcycles.

- Some vehicle owners will still pay to retain their plate number but the amount will be smaller due to the elimination of the mandatory plate replacement cycle.
- The effective date is January 1, 2014. Fiscal Year 2014 reflects a half year of revenue.
- The November 2012 forecasts for plate replacement, plate reflectivity and plate number retention were used to estimate revenue.

Cash Receipts	FY 14	FY 15	13-15 Total	15-17 Total	17-19 Total
Nickel Account	73,140	147,930	221,070	300,720	306,330
State Patrol Highway	2,588,420	5,234,940	7,823,360	10,641,990	10,840,840
Motor Vehicle Account	3,760,140	8,852,540	12,612,680	21,641,590	19,474,820
Puget Sound Ferry Ops	123,220	249,220	372,440	506,640	516,100
Multimodal Account	1,071,800	2,055,500	3,127,300	4,276,300	4,277,300
RV Disposal Account	16,400	33,200	49,600	67,500	68,700
Transportation Partnership	161,080	325,770	486,850	662,260	674,610
Total Revenue	7,794,200	16,899,100	24,693,300	38,097,000	36,158,700

II. C – Expenditures

DOL's information technology systems are programmed to automatically have either Correctional Industries, county auditors or their subagents send replacement plates and charge the corresponding fee every seven years. Thus, stopping this practice will require programming of DOL's information technology systems. The Information Services Division will need to hire contract programmers to modify department information technology systems to accomplish the requirements of this bill.

For specific transactions, programming code currently calculates the age of a plate based on when it was issued. When the plate reaches the age of mandatory replacement, a "flag" in the system is set and is used not only on specific Vehicle Field System (VFS) transactions, but also on Internet Payment Option transactions, and carried throughout the transaction to trigger an edit requiring a replacement plate to be purchased. On the Vehicle Headquarters System, the age of plate calculation is performed when pricing for selected renewal notices. When the system notes the need for plate replacement, it adds the fee to the notice as well as wording to tell the customer a replacement plate is needed. In addition, all reports for fee distribution and other business-related reports need to be modified.

Additionally, computer systems will need to be programmed to accommodate the new transfer of ownership transactions including resetting the new registration year for dealer and other changes in ownership, charging for new plates on title transfers, adding exemptions for new replacement plates, and modifying pricing.

The systems impacted are the vehicle field system (VFS), vehicle headquarters system (VHS), internet payment option (IPO), and the DOL revenue systems. The agency will hire contract programmers in Fiscal Year 2014 for 4.5 months to accomplish the work. Detail of information systems modifications, contract rates, and costs are provided in the table below.

Skill/Category	Cost/Month	FY14	FY15	Total Cost
Project Support Contractors				
Project Manager	\$26,100	0.5		\$13,050
Analyst	\$22,620	0.5		\$11,310
Developer/tester	\$16,878	3.5		\$59,073
SUBTOTAL		4.5		\$83,433
10% Contingency				\$ 8,344
TOTAL CONTRACTOR COSTS		4.5		\$91,777

DOL will have cost savings from purchasing fewer license plates and tabs due to eliminating mandatory plate replacement. However, these savings are offset by a greater number of plates and tabs that will be purchased for the new requirement of replacing plates at the time of ownership transfer. The cost for the increased plates and tabs is \$767,192 in the 2015 Biennium.

There will be postage savings from not mailing plates to customers due to the elimination of mandatory plate replacement. Part of this savings is offset by any mailings resulting from the plate replacements from transfers of ownership. The postage savings for the 2015 Biennium are estimated at \$275,586. There will be no staff savings for DOL because all plate replacement mailings are done either by Correctional Industries or by County Auditors, Agents, and their subagents.

Due to the expected increase in calls to DOL's Customer Service Center regarding the required purchase of new plates at the time of ownership transfer, an additional Customer Service Specialist 2 (CSS2) will be needed. A 0.5 CSS2 FTE will be needed in the first two years of the new requirement.

In addition to the cost of salary and benefits, other costs have been added which include workstations and furniture, personal computers (including software and licenses), facility rent/lease and utility costs, telephone equipment and line charges, desktop support, employee training and other standard goods and services associated with adding new staff.

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	0.5	0.5	0.5		
Salaries and Wages	18,516	18,516	37,032		
Employee Benefits	7,917	7,917	15,834		
Goods and Services	213,588	378,784	592,372	1,164,863	913,396
Equipment	7,150		7,150		
TOTAL	247,171	405,217	652,388	1,164,863	913,396

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

Object E Breakdown:	FY 14	FY 15	13-15 Total	15-17 Total	17-19 Total
EA Plates & Tabs	208,886	558,306	767,192	1,532,311	1,280,844
EA Office Supplies	375	375	750		
EB Postage	(91,862)	(183,724)	(275,586)	(367,448)	(367,448)
EB Phone/Install/Usage	575	270	845		
ED Facility/Lease Costs	2,992	2,992	5,984		
EG Training	266	266	532		
EL Interagency DP Svcs	174	174	348		
EN Personnel Services	125	125	250		
ER Application Programmers	91,777		91,777		
EY Software Maintenance	280		280		
Total Goods & Svcs	213,588	378,784	592,372	1,164,863	913,396

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	FY 14	FY 15	13-15 Total	15-17 Total	17-19 Total
Custr Service Spec 2	35,652	0.5	0.5	0.5	0.0	0.0
Total FTEs		0.5	0.5	0.5	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	208,886	558,306	767,192	1,532,311	1,280,844
200 - Information Services	92,965	908	93,873		
300 - Customer Relations	(54,680)	(153,997)	(208,677)	(367,448)	(367,448)
600 - Programs & Services					
700 - Business & Professions					
<i>Total</i>	247,171	405,217	652,388	1,164,863	913,396

Part IV: Capital Budget Impact

None

Part V: New Rule Making Required

Due to the language removal in sections 5 and 6, WAC 308-96A-021 will need to be amended.

Individual State Agency Fiscal Note

Bill Number: 5785 SB	Title: License plates/display, etc.	Agency: 310-Department of Corrections
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2014	FY 2015	2013-15	2015-17	2017-19
Correctional Industries	201,531	537,636	739,167	1,475,582	1,233,424
Account-Non-Appropriated 401-6					
Total \$	201,531	537,636	739,167	1,475,582	1,233,424

Estimated Expenditures from:

	FY 2014	FY 2015	2013-15	2015-17	2017-19
Account					
Correctional Industries	191,332	510,434	701,766	1,400,951	1,171,028
Account-Non-Appropriated 401-6					
Total \$	191,332	510,434	701,766	1,400,951	1,171,028

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: Amanda Cecil	Phone: 360-786-7429	Date: 02/14/2013
Agency Preparation: Eric Johnson	Phone: 360-725-8268	Date: 04/29/2013
Agency Approval: Sarian Scott	Phone: (360) 725-8270	Date: 04/29/2013
OFM Review: Kate Davis	Phone: (360) 902-0570	Date: 04/29/2013

Request # 080-2

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.

Section 1(5)(ii) amends RCW 46.16A.200 to provide that license plates may be attached conspicuously to the rear of the vehicle only if two (2) license plates have been issued but the design of the vehicle is not conducive to placement of a plate on the front of the vehicle.

Section 1(8) amends RCW 46.16A.200 to require that standard issue license plates must be replaced when ownership of the vehicle changes, pursuant to subsection (9)(a)(i) of this section.

Section 1(9) amends RCW 46.16A.200 to provide exceptions to subsection (8) of this section that requires vehicle owners to apply for replacement license plates when transferring ownership of the vehicle. The Department of Licensing (DOL) shall, for a fee, give owners the option of retaining the current license plate number when obtaining replacement license plates.

Section 1(9)(c) amends RCW 46.16A.200 related to when vehicles are sold to vehicle dealers for resale the application for replacement license plates needs not be made until after the vehicle is sold by the dealer.

Section 1(10) amends RCW 46.16A.200 to remove the requirement for periodic replacement of license plates to ensure maximum legibility and reflectivity.

Section 2(1) amends RCW 46.16A.020 to cause vehicle registrations to expire if the vehicle ownership changes during the 12 month registration period.

Section 3(2) amends RCW 46.16A.110 to add the requirement that when a vehicle changes ownership the new owner must apply for a renewal vehicle registration. When vehicles are sold to dealerships for resale the application need not be made until after the vehicle is sold by the dealership.

Section 5(3) amends RCW 46.18.130 to strike special license plates issued before discontinuation from valid status until replaced under RCW 46.16A.200(10).

Section 6(2) amends RCW 46.18.130 to strike special license plates issued before discontinuation from valid status until replaced under RCW 46.16A.200(10).

Section 7 adds a new section to 46.16A.200 that states this act applies to vehicle registrations that are due or become due on or after 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 (CI) Revolving Fund (account 401).

The Department of Corrections (DOC) CI produces license plates for the DOL and as a result of this proposed bill would see an increase in production. The revenue from increased production of license plates is the cash receipt impact. The cost to DOL for passenger vehicle license plates is \$2.471 for sets, \$1.236 for singles and \$1.236 for trailers and motorcycles. License Plates are manufactured by offenders who are paid an average of \$0.98/hour for this line of business.

DOL estimates the number of passenger vehicle license plates purchased from CI would be the following quantities:

FY14: Plates (Set) =85,680; Plates (Single) = (8,940); Plates (Trailer & M/C) = 865
FY15: Plates (Set) = 222,090; Plates (Single) = (13,590); Plates (Trailer & M/C) = 5,649
FY16: Plates (Set) = 269,270; Plates (Single) = (2,540); Plates (Trailer & M/C) = 10,073
FY17: Plates (Set) = 315,330; Plates (Single) = 6,590; Plates (Trailer & M/C) = 15,957
FY18: Plates (Set) = 277,850; Plates (Single) = (2,230); Plates (Trailer & M/C) = 11,693
FY19: Plates (Set) = 222,090; Plates (Single) = (12,730); Plates (Trailer & M/C) = 4,870
DOL assumes reduction in single plate needs in FY14, FY15, FY16, FY18, and FY19

Given the estimated number of plates increased by this bill, the cash receipt impact by fiscal year is shown below.

FY14: \$ 201,531
FY15: \$ 537,636
FY16: \$ 672,300
FY17: \$ 803,282
FY18: \$ 695,504
FY19: \$ 537,920

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 below. 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, DOC CI will have additional costs associated with offender pay and raw material costs to produce the plates.

Assumptions:

1. DOL will purchase specialty license plates from DOC CI.
2. The cost to DOL per set of license plates is \$2.471 for sets and \$1.236 for singles.
3. DOC CI license plate production costs are \$2.346 for sets and \$1.174 for singles.
4. DOC CI production costs by fiscal year follows:

FY14: \$ 191,332
FY15: \$ 510,434
FY16: \$ 638,294
FY17: \$ 762,657

FY18: \$ 660,324

FY19: \$ 510,704

5. The average offender wage is \$0.98 per hour.

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	191,332	510,434	701,766	1,400,951	1,171,028
Total:	\$191,332	\$510,434	\$701,766	\$1,400,951	\$1,171,028

III. C - Expenditures By Program (optional)

Program	FY 2014	FY 2015	2013-15	2015-17	2017-19
Correctional Industries (401)	191,332	510,434	701,766	1,400,951	1,171,028
Total \$	191,332	510,434	701,766	1,400,951	1,171,028

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

Individual State Agency Fiscal Note

Bill Number: 5785 SB	Title: License plates/display, etc.	Agency: 405-Department of Transportation
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost. Please see discussion.

Estimated Expenditures from:

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.

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- ☐ 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: 02/14/2013
Agency Preparation: Helena Kennedy Smith	Phone: 206-464-1226	Date: 02/19/2013
Agency Approval: Craig Stone	Phone: 206-464-1222	Date: 02/19/2013
OFM Review: Heather Matthews	Phone: (360) 902-0543	Date: 02/20/2013

Request # #13-078-1

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 5785 amends RCW 46.16A.200. The proposal would allow vehicles to display only a rear license plate if the design of the vehicle is not conducive for the placement of a front license plate. It allows a license plate to be retained by the current owner in the event that a vehicle is sold, upon payment of a transfer fee. It also requires the purchase of new license plates at the change of ownership of a vehicle. It eliminates the requirements for periodically replacing license plates unless the plates become illegible. And finally, it clarifies that when a vehicle is sold to a dealer for resale, the application for a new vehicle registration need not be made until after the vehicle is sold by the vehicle dealer.

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.

Making front license plates optional increases loss of toll revenue. Toll payers on State Route (SR) 520 or Tacoma Narrows Bridge (TNB) have the option of driving across the bridge and receiving a bill in the mail based on the vehicle's license plate. Roughly 20 percent of all SR 520 users take advantage of that option accounting for approximately 25 percent of total revenue. The mechanism for effective billing requires photos of both the front and rear plates. The dual photos allow revenue to be collected even when photos of one plate are blurry or the rear plate is blocked by bicycle racks or towed vehicles. Allowing vehicle owners to not have front plates will increase the number of tolls that cannot be collected, although the number of tolls and the value of tolls cannot be determined. Since several other corridors are expected to be tolled in the future, loss of toll revenue will increase over time if front plates are not required.

By eliminating mandatory license plate replacement, toll revenue collection may also be reduced, for two reasons. First, as plates age, they lose some reflective capability that may make it harder to identify license numbers. When that happens, more tolls will be uncollectible, but the number and amount is indeterminate. In addition, some license plate designs are difficult to read, and if people had to renew plates on a set cycle, those plate designs potentially could be retired.

Accurate toll collection may increase due to the requirement for new license plates at the change of vehicle ownership. Currently, license plates stay with the vehicle after a change of ownership. If the new owner crosses tolled facilities prior to registering the vehicle, toll bills are sent to the previous owner. The new process proposed in this bill would prevent toll bills from being sent to previous automobile owners as the new owner will be required to replace the license plates.

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.