Multiple Agency Fiscal Note Summary

Bill Number: 2362 HB Title: License plates

Estimated Cash Receipts

Agency Name	2013-15		2015	-17	2017-19		
	GF- State	Total	GF- State	Total	GF- State	Total	
Department of Corrections	0	(413,045)	0	(1,694,428)	0	(1,715,812)	
Total \$	0	(413,045)	0	(1,694,428)	0	(1,715,812)	

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	20,900	.0	0	(884,944)	.0	0	(896,113)	
Department of	.0	0	(391,974)	.0	0	(1,607,991)	.0	0	(1,628,286)	
Corrections										
Department of	Non-ze	ro but indetermi	inate cost and/	or savii	ngs. Please see	discussion.				
Transportation										
			1			4/0 /00 00=1			4/0 =0 / 000	
Total	0.0	\$0	\$(371,074)	0.0	\$0	\$(2,492,935)	0.0	\$0	\$(2,524,399)	

Estimated Capital Budget Impact

NONE

Prepared by: Veronica Jarvis, OFM	Phone:	Date Published:
	(360) 902-0649	Final 1/30/2014

^{*} See Office of the Administrator for the Courts judicial fiscal note

^{**} See local government fiscal note FNPID: 36797

Individual State Agency Fiscal Note

Bill Number: 2362 HB	Title:	License plates			Agency:	240-Depar Licensing	rtment of
Part I: Estimates	•						
No Fiscal Impact							
Estimated Cash Receipts t	·o:						
NONE							
1,01,2							
Estimated Expenditures fi	rom:						
		FY 2014	FY 2015	2013-15	20	015-17	2017-19
Account	toto	226 640	(245.740)	20.7	200	(004.044)	(006 112)
Motor Vehicle Account-S 108-1	tate	236,619	(215,719)	20,9	900	(884,944)	(896,113)
	Total \$	236,619	(215,719)	20,9	900	(884,944)	(896,113)
Estimated Capital Budget	Impact:						
NONE							
The cash receipts and expe			e most likely fiscal i	mpact. Factors	impacting th	e precision of	these estimates,
and alternate ranges (if ap							
Check applicable boxes a	and follow corresp	onding instructions:					
If fiscal impact is gre form Parts I-V.	ater than \$50,000	per fiscal year in the	current biennium	or in subsequ	ent biennia,	complete en	tire fiscal note
If fiscal impact is les	s than \$50,000 per	r fiscal year in the cu	rrent biennium or	in subsequent	biennia, co	mplete this p	page only (Part I)
Capital budget impac	ct, complete Part I	V.					
Requires new rule m	aking, complete P	art V.					
Legislative Contact: J	erry Long		I	Phone: 360-78	6-7306	Date: 01/	/16/2014
	Sally McVaugh		I	Phone: (360) 9	002-3642	Date: 01	/30/2014
	ill Rider		I	Phone: (360) 9	002-3943	Date: 01	/30/2014
	Veronica Jarvis		I	Phone: (360) 9	002-0649	Date: 01	/30/2014

Request # 2362 HB-4

Form FN (Rev 1/00) 1 Bill # <u>2362 HB</u>

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	236,619	(215,719)	20,900	(884,944)	(896,113)
Total:	\$236,619	\$(215,719)	\$20,900	(\$884,944)	\$(896,113)

III. C - Expenditures By Program (optional)

Program	FY 2014	FY 2015	2013-15	2015-17	2017-19
Mgmt & Support Services (100)		(215,719)	(215,719)	(884,944)	(896,113)
Information Services (200)	236,619		236,619		
Total \$	236,619	(215,719)	20,900	(884,944)	(896,113)

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 requires the Department of Licensing (DOL) to furnish to a person making satisfactory application for a vehicle registration one license plate if the vehicle as manufactured does not include a front mounting bracket. The bill requires DOL to design and issue an identifying sticker to certain vehicles that display a single license plate. Requires the sticker to:

- (1) Be readable by the state's photo toll system; and
- (2) Link to the vehicle's license plate number; and
- (3) Be displayed in the front windshield.

The fees will continue to be calculated as if two plates were issued.

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

Section 1(4)(a)(iii) amends RCW 46.16A.200 by adding that the Department of Licensing (DOL) may issue one plate to be attached to the rear of the motor vehicle for vehicles not manufactured with a front mounting bracket. The person obtaining one license plate under this subsection must pay all applicable fees as if the vehicle had been issued two license plates.

Section 1(14) amends RCW 46.16A.200 by requiring an identification sticker for vehicles issued one plate under RCW 46.16A.200(4)(a)(iii). The sticker must be placed on the front windshield, be readable by the state's toll system, link to the vehicle's license plate number and be issued at no additional cost.

Section 3 makes this bill applicable to vehicle registrations that are due or become due on or after January 1, 2015.

Workload Indicator	FY 14	FY 15	13-15 Total	15-17 Total	17-19 Total
Plate Sets		(334,449)	(334,449)	(1,372,006)	(1,389,322)
Single Plates		334,449	334,449	1,372,006	1,389,322
Stickers		334,449	334,449	1,372,006	1,389,322

II. B - Cash Receipt Impact

There is no cash receipt impact from this bill. Vehicle owners receiving the single plate will pay the same as if they received two plates and there is no charge for the stickers they will receive. Also, there is no charge for a replacement sticker.

II. C - Expenditures

DOL assumes that original issue license plates (new car purchases) will now be one license plate with two license plates as the exception. Most new manufactured vehicles coming to Washington State do not have a front mounting bracket because many states already do not require a front license plate so manufacturers do not attach the front mounting brackets. It is assumed that vehicle purchasers will choose to not pay to have the brackets installed on their new vehicles and therefore they will receive only one plate. Also, vehicle owners moving into the state from a state that already does not require a front license plate will not be required to put two plates on their vehicles. The November 2013 forecast for original titles was used to estimate the number of new vehicle purchases that will not be required to obtain two license plates. The plate savings for Fiscal Year 2015 reflect half a fiscal year.

DOL will need to create an identifying sticker that is readable by the state's toll system and can be linked to the vehicle's license plate number. The stickers will be a numbered inventory item that will need to be tracked. DOL assumes that a sticker that is large enough to be read by the state's toll system will cost approximately fifty-nine cents each. The expenditures for stickers in Fiscal Year 2015 reflect half a fiscal year.

The impacts of the change in plate numbers and the purchase of the new stickers are shown in the table below:

	Cost/Per	FY 15	FY 16	FY 17	FY 18	FY 19
Plate Sets	\$2.471	(\$826,423)	(\$1,687,394)	(\$1,702,833)	(\$1,706,391)	(\$1,726,624)
Plate Singles	\$1.236	\$413,379	\$844,038	\$851,761	\$853,541	\$863,661
Window Stickers	\$0.59	\$197,325	\$402,899	\$406,585	\$407,435	\$412,265
	Total	(\$215,719)	(\$440,457)	(\$444,487)	(\$445,415)	(\$450,698)

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 (VFS), the VFS Transaction Data Warehouse, the Vehicle Headquarters System (VHS), User Select, the Internet Vehicle Inquiry Processing System, Abandoned Vehicle Reporting/Destroyed Vehicle Reporting, and the Washington State Patrol Inquiry.

ISD will need to hire contract programmers for 7.5 months starting in Fiscal Year 2014 to meet the effective date of January 2015 for project support to assist internal staff also working on the project. The one-time cost is projected to be \$236,618 including a ten percent project contingency.

Breakdown of Contracted IS St	artup Costs:				
Cost Category	Description	FY 14 Months	FY 15 Months	Rate	Cost
Senior Developer/Tester	Modify programming and coding to all major systems; test to verify individual components meet requirements; ensure that other business transactions have not been impacted		-	\$14,442	\$0
Project Developers/Testers	Modify programming and coding to all major systems; test to verify individual components meet requirements; ensure that other business transactions have not been impacted	8.8	-	\$16,878	\$147,683
Senior Analyst	Determine business requirements; translate requirements into what changes are needed to various systems including account codes, inventory codes, testing considerations, etc.	-	-	\$18,966	\$0
Expert Analyst	Determine business requirements; translate requirements into what changes are needed to various systems including account codes, inventory codes, testing considerations, etc.	1.3	-	\$22,620	\$28,275
Expert Project Manager	Manage schedule and contracts	1.5	-	\$26,100	\$39,150
Project Contingency	OCIO designated rate of 10%				\$21,511
		11.5	-		\$236,618

Information Services expenditures and resultant revenue impacts may vary if leveraged with other technology development activities being proposed for the Department. For purposes of this fiscal note, estimated expenditure impacts are determined on a standalone basis using standard contractor rates.

Part III: Expenditure Detail

III. A – Expenditures by Object or Purpose

	FY 14	FY 15	13-15 Total	15-17 Total	17-19 Total
Goods and Services	236,619	(215,719)	20,900	(884,944)	(896,113)
TOTAL	236,619	(215,719)	20,900	(884,944)	(896,113)

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		(215,719)	(215,719)	(884,944)	(896,113)
ER Application Programmers	236,619		236,619		
Total Goods & Svcs	236,619	(215,719)	20,900	(884,944)	(896,113)

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

III. B – Expenditures by Program (optional)

Program	FY 14	FY 15	13-15 Total	15-17 Total	17-19 Total
100 - Mgmt & Support Services		(215,719)	(215,719)	(884,944)	(896,113)
200 - Information Services	236,619		236,619		
Total	236,619	(215,719)	20,900	(884,944)	(896,113)

Part IV: Capital Budget Impact

None

Part V: New Rule Making Required

None

Individual State Agency Fiscal Note

ill Number: 2362 HB	Title: License plates				Agency: 310-Department of Corrections		
art I: Estimates							
No Fiscal Impact							
stimated Cash Receipts to:							
ACCOUNT		FY 2014	FY 2015	2013-15	2015-17	2017-19	
Correctional Industries		112014	(413,045)	(413,045)	(1,694,428)	(1,715,812)	
Account-Non-Appropriated	401-6		(***,****)	(113,513)	(1,501,100)	(1,111,111,111,111,111,111,111,111,111,	
11 1	Total \$		(413,045)	(413,045)	(1,694,428)	(1,715,812)	
stimated Expenditures from:							
		FY 2014	FY 2015	2013-15	2015-17	2017-19	
Account			(201.07.1)	(224.27.1)	(4.00=.004)	// 000 000	
Correctional Industries Account-Non-Appropriated		0	(391,974)	(391,974)	(1,607,991)	(1,628,286	
401-6							
101 0	Total \$	0	(391,974)	(391,974)	(1,607,991)	(1,628,286	
NONE							
NONE							
The cash receipts and expenditure and alternate ranges (if appropric	ate), are explaine	ed in Part II.	most likely fiscal impo	act. Factors impacti	ng the precision of th	nese estimates,	
The cash receipts and expenditure and alternate ranges (if appropriate Check applicable boxes and fol	ate), are explaine	ed in Part II. ding instructions:		-			
The cash receipts and expenditure and alternate ranges (if appropric	ate), are explaine	ed in Part II. ding instructions:		-			
The cash receipts and expenditure and alternate ranges (if appropriate Check applicable boxes and fol	ate), are explaine llow correspond an \$50,000 per	ed in Part II. ding instructions: fiscal year in the	current biennium or	in subsequent bien	nia, complete entir	re fiscal note	
The cash receipts and expenditure and alternate ranges (if approprie Check applicable boxes and fol X If fiscal impact is greater the form Parts I-V.	ate), are explained flow correspond an \$50,000 per \$50,000 per fis	ed in Part II. ding instructions: fiscal year in the	current biennium or	in subsequent bien	nia, complete entir	re fiscal note	
The cash receipts and expenditure and alternate ranges (if appropriate Check applicable boxes and fol If fiscal impact is greater the form Parts I-V. If fiscal impact is less than	ate), are explained llow correspond an \$50,000 per \$50,000 per fishiplete Part IV.	ed in Part II. ding instructions: fiscal year in the oreact of the current of t	current biennium or	in subsequent bien	nia, complete entir	re fiscal note	
The cash receipts and expenditure and alternate ranges (if appropriate Check applicable boxes and fol If fiscal impact is greater the form Parts I-V. If fiscal impact is less than Capital budget impact, com	ate), are explained llow correspond an \$50,000 per \$50,000 per fishiplete Part IV.	ed in Part II. ding instructions: fiscal year in the oreact of the current of t	current biennium or rent biennium or in s	in subsequent bien	nia, complete entir	re fiscal note ge only (Part I	
The cash receipts and expenditure and alternate ranges (if appropriate Check applicable boxes and fol If fiscal impact is greater the form Parts I-V. If fiscal impact is less than Capital budget impact, com Requires new rule making,	ate), are explained llow correspond an \$50,000 per \$50,000 per fix applete Part IV.	ed in Part II. ding instructions: fiscal year in the oreact of the current of t	current biennium or in s	in subsequent bien subsequent biennia	nia, complete entira, complete this pag	re fiscal note ge only (Part I	

Request # 023-1

Date: 01/21/2014

Form FN (Rev 1/00) 1 Bill # <u>2362 HB</u>

Phone: (360) 902-0582

Peter Graham

OFM Review:

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(4)(a)(iii) amends RCW 46.16A.200 to state that the Department of Licensing (DOL) shall furnish only one (1) license plate if the vehicle as manufactured does not include a front mounting bracket. A person who obtains only one (1) license plate under this subsection must still pay all applicable fees as if the vehicle had been issued two (2) license plates.

Section 1(14)(a) amends RCW 46.16A.200 to state that any vehicle issued a single license plate under subsection (4)(a)(iii) of this section must display a sticker in the front windshield as provided in (b) of this subsection.

Section 1(14)(b) amends RCW 46.16A.200 to state that DOL must design and issue an identifying sticker to any vehicle that displays a single license plate only. The sticker must be readable by the State's photo toll system and link to the vehicle's license plate number. This sticker must be issued at no additional cost.

Section 2(1)(a) amends RCW 46.17.200 to provide the exceptions under RCW 46.16A.200 (4)(a)(iii) to the list of license plate fees.

Section 3 creates a new section that states this act applies to vehicle registrations that are due or become due on or after January 1, 2015.

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 Department of Licensing (DOL) and as a result of this proposed bill would have a decrease in production. The revenue impact from decreased production of license plates is the cash receipt impact. The cost to DOL for passenger vehicle license plates is \$2.471 for sets and \$1.236 for singles. Given the estimated quantities needed by DOL based on this bill, the cash receipt impact by Fiscal Year (FY) is shown below.

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

```
FY15: Plates (Set) = (334,449); Plates (Single) = 334,449
FY16: Plates (Set) = (682,879); Plates (Single) = 682,879
FY17: Plates (Set) = (689,127); Plates (Single) = 689,127
FY18: Plates (Set) = (690,567); Plates (Single) = 690,567
FY19: Plates (Set) = (698,755); Plates (Single) = 698,755
```

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

Request # 023-1

FY15: (\$ 413,045) FY16: (\$ 843,356) FY17: (\$ 851,072) FY18: (\$ 852,850) FY19: (\$ 862,962)

Projected revenue impact is slightly greater than the expenditures. The difference is administrative costs to run the program.

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 decrease in license plates purchased, DOC CI will have reduced costs associated with offender pay and raw material costs to produce the plates.

Assumptions:

- 1. DOL will purchase passenger vehicle 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:

FY15: (\$ 391,974) FY16: (\$ 800,334) FY17: (\$ 807,657) FY18: (\$ 809,345) FY19: (\$ 818,941)

- 5. The average offender wage is \$0.98 per hour.
- 6. Production of license plates affords offender jobs, which enhances prison safety by reducing idleness, and increases public safety by providing offenders with much needed job skills.
- 7. Projected revenue impact is slightly greater 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		(391,974)	(391,974)	(1,607,991)	(1,628,286)
Total:	\$0	\$(391,974)	\$(391,974)	(\$1,607,991)	\$(1,628,286)

III. C - Expenditures By Program (optional)

Program	FY 2014	FY 2015	2013-15	2015-17	2017-19
Correctional Industries (400)		(391,974)	(391,974)	(1,607,991)	(1,628,286)
Total \$		(391,974)	(391,974)	(1,607,991)	(1,628,286)

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: 2362 HB	Title: License plates	Agency:	405-Department of Transportation
Part I: Estimates			
No Fiscal Impact			
Estimated Cash Receipts to:			
NONE			
Estimated Expenditures from:			
	Non-zero but indeterminate cost. Please see	e discussion.	
Estimated Capital Budget Impac	t:		
NONE			
The cash receipts and expenditure of and alternate ranges (if appropriate	estimates on this page represent the most likely fisco e), are explained in Part II.	al impact. Factors impacting th	ne precision of these estimates,
Check applicable boxes and follo	ow corresponding instructions:		
If fiscal impact is greater that form Parts I-V.	n \$50,000 per fiscal year in the current bienniu	um or in subsequent biennia,	complete entire fiscal note
If fiscal impact is less than \$	50,000 per fiscal year in the current biennium	or in subsequent biennia, co	emplete this page only (Part I)
Capital budget impact, comp	olete Part IV.		
Requires new rule making, c	complete Part V.		
Legislative Contact: Jerry Lo	ng	Phone: 360-786-7306	Date: 01/16/2014
Agency Preparation: Ed Shun	npert	Phone: 206-464-1226	Date: 01/29/2014
Agency Approval: Craig Ste	one	Phone: 206-464-1222	Date: 01/29/2014
OFM Review: Frik Har	nsen	Phone: 360-902-0423	Date: 01/29/2014

Request # 14-033-1

Form FN (Rev 1/00) 1 Bill # <u>2362 HB</u>

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 amends RCW 46.16A.200 by allowing vehicles manufactured without a front license plate mounting bracket to have a front windshield sticker in lieu of a front license plate. Section 1 (14) requires the front windshield sticker be visually readable by the state's photo toll system and linked to the vehicle's license plate number.

The department assumes that either a new photo tolling system and/or additional equipment will be required in order to implement this legislation throughout the statewide toll system. The current photo tolling system consists of cameras that are pointed at the vehicles' front and rear license plates. Either image may be used to identify the vehicle and is a backup in case the other license plate image is unreadable. It is not possible to capture images of front windshield stickers with the current technology.

The department is unaware of any existing commercial technology to visually read windshield stickers through existing photo tolling capabilities. The department does collect tolls through electronic tolling equipment that uses a windshield mounted radio frequency identification (RFID) sticker linked to a Good To Go! account.

If the technology becomes available prior to the implementation date of January 1, 2015 it is assumed that all aspects of the current image-based transaction system and operations will require upgrading. The upgrades are assumed to include enhancements to roadside system capabilities; cameras; Optical Character Recognition (OCR) software; infrastructure; back office system capability enhancements; processing of new image types; tracking a new ID system; image review tools enhancements and review procedures; changes to operations; new tools and business rules for customer management; new marketing efforts; and possible changes to adjudication rules/processes.

Additionally, passage of the proposed legislation may require changes to RCW 46.63.160 6(a) as photo toll systems are limited to taking photographs of the vehicle and vehicle license plate only. The definitions of photo toll systems in RCW 47.56.010 and RCW 47.46.020 may also need to be updated to include windshield. Also, RCW 46.37.410 (2) pertaining to items placed on the front windshield which obstructs the driver's clear view of the highway or any intersecting highway may also need to be updated.

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.

Technology does not presently exist to accommodate the photo tolling system described in HB 2362. To that end, expenditures needed for the proposed legislation is indeterminate.

It is possible, however, to estimate some of the ancillary costs necessary to implement the proposed legislation.

Request # 14-033-1

Form FN (Rev 1/00) 2 Bill # <u>2362 HB</u>

Impacts to the Customer Service Center (CSC) back office system are estimated to cost between \$1,000,000 and \$2,000,000 for each toll facility. These estimates are based on consultation with the current CSC vendor regarding similar work required to integrate the future I-405 Express Toll Lanes into the existing CSC system. The required changes to the system include receiving additional images, processing a different image type, developing any needed tools for assisting image review and providing additional information to adjudication. It is assumed that since each toll facility is unique, each facility would require individualized work and unique enhancements to the CSC back office system. Due to those constraints, implementation will occur in stages.

Additionally, changes to CSC operation include: Customer relationship management; updating accounts, updating communications and supporting customer disputes. Changes to image review may require adding a new type of image or review criteria with updated business rules, standard operating procedures and additional staff.

The adjudication support requirement would include new identification methodology and require changes to the adjudication program such as additional documents in the evidence package. The estimated cost for these changes in both CSC operations and adjudication is between \$450,000 and \$500,000.

Cost estimates are provided as a range for initial deployment and ongoing operations and adjudication work:

- CSC system: (\$1,000,000 \$2,000,000 X 4 facilities) = \$4,000,000 \$8,000,000 (one-time)
- CSC Operations/Adjudication: \$450,000 \$500,000 (ongoing)

Capital outlays – total for four facilities:

- Design: \$4,477,000 (one-time)
- Equipment: \$2,387,000 (one-time)
- Construction: \$3,623,000 (one-time)
- Mobilization and Miscellaneous: \$1,151,000- (It is assumed that a portion of this amount would be ongoing for Operations and Maintenance of new construction and equipment as well as Rehabilitation and Repair. This amount is not estimated.)

The total cost estimates for the items that can be estimated range between \$16,088,000 and \$20,138,000. That range is calculated below:

- Low end: \$16,088,000 = (\$4,000,000 [system] + \$450,000 [operations/adjudication] + \$4,477,000 [design] + \$2,387,000 [equipment] + \$3,623,000 [construction] + \$1,151,000 [mobilization and miscellaneous])
- High end: \$20,138,000 = (\$8,000,000 [system] + \$500,000 [operations/adjudication] + \$4,477,000 [design] + \$2,387,000 [equipment] + \$3,623,000 [construction] + \$1,151,000 [mobilization and miscellaneous])

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.

Passage of the proposed legislation could require changes to RCW 46.63.160 6(a) as photo toll systems are limited to taking photographs of the vehicle and vehicle license plates only.

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The definitions of photo toll systems in RCW 47.56.010 and RCW 47.46.020 may also need to be updated to include windshield.

RCW 46.37.410 (2) pertaining to the items placed on the front windshield which obstructs the driver's clear view of the highway or any intersecting highway may also need to be updated depending on size and location requirements of the windshield sticker.