

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 2774 HB	<b>Title:</b> Vehicle owner lists	<b>Agency:</b> 240-Department of Licensing
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

NONE

### Estimated Expenditures from:

	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years	0.0	0.3	0.2	0.3	0.3
<b>Account</b>					
Motor Vehicle Account-State 108-1	343,468	33,480	376,948	62,290	62,290
<b>Total \$</b>	343,468	33,480	376,948	62,290	62,290

### Estimated Capital Budget Impact:

NONE

*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.

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Agency Preparation: Rene Davis	Phone: 360-902-3751	Date: 02/10/2014
Agency Approval: Jill Rider	Phone: (360) 902-3943	Date: 02/10/2014
OFM Review: Jim Albert	Phone: (360) 902-0419	Date: 02/10/2014

Request # 2774 HB-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 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years		0.3	0.2	0.3	0.3
A-Salaries and Wages		22,139	22,139	44,278	44,278
B-Employee Benefits		6,434	6,434	12,868	12,868
E-Goods and Other Services	343,468	3,139	346,607	5,108	5,108
J-Capital Outlays		1,768	1,768	36	36
Total:	\$343,468	\$33,480	\$376,948	\$62,290	\$62,290

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
IT Specialist 4	71,496		0.3	0.2	0.3	0.3
Total FTE's	71,496		0.3	0.2	0.3	0.3

III. C - Expenditures By Program (optional)

Program	FY 2014	FY 2015	2013-15	2015-17	2017-19
Information Services (200)	343,468	33,480	376,948	62,290	62,290
Total \$	343,468	33,480	376,948	62,290	62,290

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 removes language which restricted vehicle manufacturers using data obtained from the Department of Licensing (DOL) in research studies and producing statistical reports to the 2011 and 2013 Biennium timeframe. Manufacturers or their agents may now continue to request and use the data beyond June 30, 2013 for research studies, produce statistical reports and carry out provisions of federal law permitted under the federal Driver Privacy Protection Act as long as personal information isn't published, re-disclosed or used to contact individuals.

Amends RCW 46.12.630 to make permanent the authority granted to DOL to provide access to lists of motor vehicle owners to vehicle manufacturers or their agents in research activities and produce statistical reports.

Requires DOL to develop a method to identify the personal information released to vehicle manufacturers or their agents by information and date released, and use that method to track, monitor, and investigate the use of personal information, by January 1, 2015.

NOTE: This bill has an effective date of January 1, 2015. We estimate that the needed modifications to our information technology systems will be completed by February 2015 which is later than the effective date of the bill.

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

Section 1(2) By January 1, 2015 requires DOL to develop a method to identify the personal information released to vehicle manufacturers or their agents by information and date released, and use that method to actively track, monitor, and investigate the use of personal information.

### **II. B – Cash Receipt Impact**

None

### **II. C – Expenditures**

Creating a method to track, monitor and investigate the use of personal information released to manufacturers will take 3071 hours of contracted Information Services time to modify programming and coding resulting in a total expenditure of \$343,467. An on-going 0.30 FTE - IT Specialist 4 is requested for maintenance and support of the new personal information processing system.

The system will include a front end application that is searchable by personal information stored, list date, and list requestor (Manufacturer, Manufacturer's Agent). The Web application will include the following:

- Audit log process
- Tool for the Contracts Manager to add a new contract and define the contract specifications including defining the data requested and reporting frequency requested; tool will also include a method to assign security roles for access to the list
- Tool to manage contracts and store the Manufacturer's information (contract identification number, contract name, address, phone number, mail address)
- Report access screen
- Screen to lookup by any of the personal information, when that personal information was provided in a list and to whom it was provided
- System will include a list database that can be queried for ad hoc statistical reporting of the data

**Breakdown of Contracted IS Startup Costs:**

Cost Category	Description	FY 14 Months	FY 15 Months	Rate	Cost
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	13.5	-	\$16,878	\$227,853
Expert Analyst	Determine business requirements; translate requirements into what changes are needed to various systems including account codes, inventory codes, testing considerations, etc.	2.0	-	\$22,620	\$45,240
Expert Project Manager	Manage schedule and contracts	1.5	-	\$26,100	\$39,150
Project Contingency	OCIO designated rate of 10%				\$31,224
		<b>17.0</b>	<b>-</b>		<b>\$343,467</b>

Administrative support (indirect costs) is included at a rate of 12 percent of the direct program costs proposed this fiscal note. This 12 percent is split 7 percent for Management and Support Services functions and 5 percent for Information Services functions. These costs are allocated in object E to cover agency wide handling and processing of vendor payments; equipment purchase, delivery, storage and set-up; technical assistance to employees; contract administration; security; handling of mail; and other indirect support services functions as needed.

The amount received in either Management Support Services or Information Services may not be sufficient to actually hire a new staff person. However, depending on the needs of the division this indirect funding could be used to pay current staff for overtime or extending or increasing the use of temporary and seasonal employees. Expenditures of these types are reflected as FTE usage in the statewide AFRS reports.

**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		0.3	0.2	0.3	0.3
Salaries and Wages		22,139	22,139	44,278	44,278
Employee Benefits		6,434	6,434	12,868	12,868
Goods and Services	343,468	3,139	346,607	5,108	5,108
Equipment		1,768	1,768	36	36
<b>TOTAL</b>	<b>343,468</b>	<b>33,480</b>	<b>376,948</b>	<b>62,290</b>	<b>62,290</b>

**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 Office Supplies		225	225	450	450
EB Phone/Install/Usage		425	425	240	240
ED Facility/Lease Costs		1,795	1,795	3,590	3,590
EG Training		160	160	320	320
EL Interagency DP Svcs		104	104	208	208
EN Personnel Services		150	150	300	300
ER Application Programmers	343,468		343,468		
EY Software Maintenance		280	280		
<b>Total Goods &amp; Svcs</b>	<b>343,468</b>	<b>3,139</b>	<b>346,607</b>	<b>5,108</b>	<b>5,108</b>

### 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>FY 14</u>	<u>FY 15</u>	<u>13-15 Total</u>	<u>15-17 Total</u>	<u>17-19 Total</u>
IT Specialist 4	71,496		21,449	10,725	42,898	42,898
<b>Total FTEs</b>		<b>0.0</b>	<b>21,449</b>	<b>10,725</b>	<b>42,898</b>	<b>42,898</b>

### III. B – Expenditures by Program (optional)

Program	FY 14	FY 15	13-15 Total	15-17 Total	17-19 Total
200 - Information Services	343,468	33,480	376,948	62,290	62,290
<i>Total</i>	343,468	33,480	376,948	62,290	62,290

### Part IV: Capital Budget Impact

None

### Part V: New Rule Making Required

None