

Multiple Agency Fiscal Note Summary

| | |
|---|--|
| Bill Number: 1129 E 2S HB 1129-S2.E AMS TRAN S4676.2 | Title: Ferry vessel replacement |
|---|--|

Estimated Cash Receipts

| Agency Name | 2013-15 | | 2015-17 | | 2017-19 | |
|-------------------------|-----------|-------------------|-----------|-------------------|-----------|-------------------|
| | GF- State | Total | GF- State | Total | GF- State | Total |
| Department of Licensing | 0 | 11,127,550 | 0 | 45,514,500 | 0 | 46,579,800 |
| Total \$ | 0 | 11,127,550 | 0 | 45,514,500 | 0 | 46,579,800 |

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 | .7 | 0 | 292,379 | 2.0 | 0 | 435,168 | .3 | 0 | 236,139 |
| Department of Transportation | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| Total | 0.7 | \$0 | \$292,379 | 2.0 | \$0 | \$435,168 | 0.3 | \$0 | \$236,139 |

| | | | | | | | | | |
|---------------------|--|--|--|--|--|--|--|--|--|
| Local Gov. Courts * | | | | | | | | | |
| Loc School dist-SPI | | | | | | | | | |
| Local Gov. Other ** | Non-zero but indeterminate cost and/or savings. Please see discussion. | | | | | | | | |
| Local Gov. Total | | | | | | | | | |

Estimated Capital Budget Impact

NONE

| | | |
|--|---------------------------------|---|
| Prepared by: Veronica Jarvis, OFM | Phone: (360) 902-0649 | Date Published: Final 3/ 3/2014 |
|--|---------------------------------|---|

* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 37800

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

| | | |
|---|--|---|
| Bill Number: 1129 E 2S HB 1129-S2.E AMS TRAN S4676.2 | Title: Ferry vessel replacement | Agency: 240-Department of Licensing |
|---|--|---|

Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

| ACCOUNT | FY 2014 | FY 2015 | 2013-15 | 2015-17 | 2017-19 |
|---|---------|------------|------------|------------|------------|
| Capital Vessel Replacement Account-State 18J-1 | | 11,127,550 | 11,127,550 | 45,514,500 | 46,579,800 |
| Total \$ | | 11,127,550 | 11,127,550 | 45,514,500 | 46,579,800 |

Estimated Expenditures from:

| | FY 2014 | FY 2015 | 2013-15 | 2015-17 | 2017-19 |
|--------------------------------------|---------|---------|---------|---------|---------|
| FTE Staff Years | 0.0 | 1.3 | 0.7 | 2.0 | 0.3 |
| Account | | | | | |
| Motor Vehicle Account-State 108-1 | 149,580 | 142,799 | 292,379 | 435,168 | 236,139 |
| Total \$ | 149,580 | 142,799 | 292,379 | 435,168 | 236,139 |

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.

| | | |
|-----------------------------------|-----------------------|------------------|
| Legislative Contact: Amanda Cecil | Phone: 360-786-7429 | Date: 02/26/2014 |
| Agency Preparation: Sally McVaugh | Phone: (360) 902-3642 | Date: 02/27/2014 |
| Agency Approval: Jill Rider | Phone: (360) 902-3943 | Date: 02/27/2014 |
| OFM Review: Veronica Jarvis | Phone: (360) 902-0649 | Date: 03/03/2014 |

Request # 1129 E2SHB-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 | | 1.3 | 0.7 | 2.0 | 0.3 |
| A-Salaries and Wages | | 54,906 | 54,906 | | |
| B-Employee Benefits | | 21,682 | 21,682 | | |
| E-Goods and Other Services | 149,580 | 51,911 | 201,491 | | |
| J-Capital Outlays | | 14,300 | 14,300 | | |
| Total: | \$149,580 | \$142,799 | \$292,379 | \$0 | \$0 |

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 |
|-----------------------------|----------------|---------|------------|------------|------------|------------|
| Customer Serv Spec 2 | 36,756 | | 1.0 | 0.5 | 1.5 | |
| Economic Analyst 3 | 69,756 | | 0.1 | 0.1 | 0.2 | 0.2 |
| Fiscal Analyst 2 (indirect) | 45,828 | | 0.1 | 0.1 | 0.2 | 0.1 |
| IT Specialist 4 (indirect) | 71,496 | | 0.1 | 0.1 | 0.1 | |
| Total FTE's | 223,836 | | 1.3 | 0.7 | 2.0 | 0.3 |

III. C - Expenditures By Program (optional)

| Program | FY 2014 | FY 2015 | 2013-15 | 2015-17 | 2017-19 |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|
| Mgmt & Support Services (100) | | 17,994 | 17,994 | 63,843 | 51,403 |
| Information Services (200) | 149,580 | 8,206 | 157,786 | 21,141 | 12,256 |
| Customer Relations (300) | | 116,599 | 116,599 | 350,184 | 172,480 |
| Total \$ | 149,580 | 142,799 | 292,379 | 435,168 | 236,139 |

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

Currently RCW 46.17.040 has requires subagents to collect a twelve dollar fee for a change in a certificate of title and a five dollar fee for a registration renewal. This bill directs the Department of Licensing (DOL), county auditors or other agents to also collect these fees. These service fees collected by DOL, agents, and other agents must be credited to the capital Vessel Replacement Account.

NOTE: Technical changes in this amendment make it different from E2SHB 1129. E2SHB 1129 added a new section to RCW 46.17 requiring DOL, county auditors, and other agents to collect service fees. The amendment deletes that new section and adds the fees to RCW 46.17.040. These changes do not change the fiscal impact for DOL.

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

Section 2 (1) (a) amends RCW 46.17.040 and directs DOL, county auditors or other agents to collect a twelve dollar service fee for a certificate of title, or verification of record and preparation of an affidavit of lost title other than at the time of the certificate of title application or transfer.

Section 2 (1) (b) amends RCW 46.17.040 and directs DOL, county auditors or other agents to collect a five dollar service fee for vehicle registration renewals, issuing a transit permit, or any other service under this section.

Section 2 (2) requires the service fees in this section collected by DOL, county auditors or other agents to be deposited to the Capital Vessel Replacement Account.

Section 5 makes this bill applicable to vehicle registrations that are due or become due on or after January 1, 2015 and for certificates of title transaction processed on or after January 1, 2015.

| <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> |
|--|--------------|--------------|--------------------|--------------------|--------------------|
| DOL Vehicle Registration Service Fee | | 17,050 | 17,050 | 70,000 | 71,800 |
| Auditor/Other Agent Vehicle Registration Fee | | 1,362,100 | 1,362,100 | 5,586,500 | 5,735,600 |
| DOL Title Service Fee | | 195,550 | 195,550 | 797,000 | 810,900 |
| Auditor/Other Agent Title Service Fee | | 157,100 | 157,100 | 639,000 | 651,000 |

II. B – Cash Receipt Impact

The vehicle registration forecast as adopted by the Transportation Revenue Forecast Council in November 2013 was used to estimate the revenue impact.

County auditors, agents (currently only King County) and DOL will collect the five dollar fee for vehicle registrations and renewals, and the twelve dollar fee per certificate of title transaction. These fees will be deposited in the Capital Vessel Replacement Account. These new fee amounts are the same as the current subagent fees for these transactions which are retained by the subagent. It is assumed that current customers will continue to have their transactions processed as they do now so there will be no shift in workload between DOL, county auditors, agents, and subagents.

Of the total number of vehicle registration transactions processed during Fiscal Year 2013, 0.47% were conducted by DOL, 62.18% were conducted by subagents, and 37.35% were conducted by county auditors. Additional analysis of the total number of paper title transactions (Fiscal Year 2010-13) showed that 17.9% were conducted by DOL, 67.5% were conducted by subagents, and 14.5% were conducted by county auditors. The workloads were established using these statistics.

The effective date is January 1, 2015 and therefore, Fiscal Year 2015 reflects partial year revenue.

The fee calculations by type are shown below:

| | FY 15 | FY 16 | FY 17 | FY 18 | FY 19 |
|--|-------------|--------------|--------------|--------------|--------------|
| DOL Vehicle Registration Service Fee | 17,050 | 34,700 | 35,300 | 35,700 | 36,100 |
| Auditor/Other Agent Vehicle Registration Service Fee | 1,362,100 | 2,769,000 | 2,817,500 | 2,850,900 | 2,884,700 |
| Cash Receipts @ \$5 Each | \$6,895,750 | \$14,018,500 | \$14,264,000 | \$14,433,000 | \$14,604,000 |

| | | | | | |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|
| DOL Title Service Fee | 195,550 | 396,600 | 400,400 | 403,300 | 407,600 |
| Auditor/Other Agent Title Service Fee | 157,100 | 317,900 | 321,100 | 323,800 | 327,200 |
| Cash Receipts @ \$12 Each | \$4,231,800 | \$8,574,000 | \$8,658,000 | \$8,725,200 | \$8,817,600 |

| | | | | | |
|-------|--------------|--------------|--------------|--------------|--------------|
| TOTAL | \$11,127,550 | \$22,592,500 | \$22,922,000 | \$23,158,200 | \$23,421,600 |
|-------|--------------|--------------|--------------|--------------|--------------|

Cash Receipts

| | <u>FY 14</u> | <u>FY 15</u> | <u>13-15 Total</u> | <u>15-17 Total</u> | <u>17-19 Total</u> |
|----------------------------|--------------|-------------------|--------------------|--------------------|--------------------|
| Capital Vessel Replacement | - | 11,127,550 | 11,127,550 | 45,514,500 | 46,579,800 |
| Total Revenue | - | 11,127,550 | 11,127,550 | 45,514,500 | 46,579,800 |

II. C – Expenditures

Implementation of this bill will require expenditures related to computer programming, adding staff, and credit card fees.

Note: 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 and revenue impacts are determined on a standalone basis using standard contractor rates.

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), VFS Fee Distribution System, VFS Transaction Data Warehouse, Vehicle Headquarters System (VHS), Paper Renewal Notification and Email Renewal Notification, IPO Help Desk, Revenue Systems, and the Refund System. ISD will need to hire contract programmers for 7 months in Fiscal Year 2014 for project support to assist internal staff also working on the project. The cost is projected to be \$149,580 including a ten percent project contingency. The following table details the costs.

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 | 4.5 | - | \$16,878 | \$75,951 |
| Expert Analyst | Determine business requirements; translate requirements into what changes are needed to various systems including account codes, inventory codes, testing considerations, etc. | 1.5 | - | \$22,620 | \$33,930 |
| Expert Project Manager | Manage schedule and contracts | 1.0 | - | \$26,100 | \$26,100 |
| Project Contingency | OCIO designated rate of 10% | | | | \$13,599 |
| | | 7.0 | - | | \$149,580 |

The Customer Relations Division will need to hire staff for its Customer Service Center. Two Customer Service Specialist 2's (CSS2) (2.0 FTE) will be required for two years after the service fee is implemented. The expectation is that the number of new calls received will be similar to the increased call volume that was experienced when the gross vehicle weight fee was increased.

This bill will create new transaction activities with their own distinct revenue streams. The Forecasting Unit will need an Economic Analyst 3 (0.2 FTE) ongoing to work with the stakeholders and manage the forecast of revenue from these additional activities, including the OFM revenue allotment system for initial allotments and quarterly forecast updates. There are specific transactions and revenue that will be tracked, reported, and reviewed with stakeholders. These new revenue streams will be part of the transportation forecast, which requires a sixteen-year forecast, presentation, and approval of the Transportation Revenue Forecast Council.

The increased revenue will result in additional credit card fees. Only the revenue activity for vehicle registrations that are processed over the internet will be impacted. Title transactions are not processed over the internet. Approximately 27% of customers process their renewals over the internet. When renewing online, customers can choose to have their renewals processed by DOL, auditors, or subagents but DOL pays the service fee for all credit card company charges of approximately 2.2% of total dollar transactions. The table below shows the credit card fees:

| | FY 15 | FY 16 | FY 17 | FY 18 | FY 19 |
|--|-------------|--------------|--------------|--------------|--------------|
| DOL Vehicle Registration Service Fee | 17,050 | 34,700 | 35,300 | 35,700 | 36,100 |
| Auditor/Other Agent Vehicle Registration Service Fee | 1,362,100 | 2,769,000 | 2,817,500 | 2,850,900 | 2,884,700 |
| Cash Receipts @ \$5 Each | \$6,895,750 | \$14,018,500 | \$14,264,000 | \$14,433,000 | \$14,604,000 |
| Internet Transactions at 27% | \$1,861,853 | \$3,784,995 | \$3,851,280 | \$3,896,910 | \$3,943,080 |
| 2.2% Credit Card Fees | \$40,961 | \$83,270 | \$84,728 | \$85,732 | \$86,748 |

Agency standard costs are included for office supplies, telephone installation and usage, facility and related costs, training, and Personnel Services. These costs are calculated based on actual costs from the previous fiscal year, included on a per-FTE added basis.

Administrative support (indirect cost) is included at a rate of 12 percent of the direct program costs proposed in 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 | | 1.3 | 0.7 | 2.0 | 0.3 |
| Salaries and Wages | | 54,906 | 54,906 | 170,345 | 45,150 |
| Employee Benefits | | 21,682 | 21,682 | 66,670 | 14,440 |
| Goods and Services | 149,580 | 51,911 | 201,491 | 198,153 | 176,549 |
| Equipment | | 14,300 | 14,300 | | |
| TOTAL | 149,580 | 142,799 | 292,379 | 435,168 | 236,139 |

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 | | 825 | 825 | 2,550 | 300 |
| EB Phone/Install/Usage | | 1,150 | 1,150 | 1,620 | |
| ED Facility/Lease Costs | | 6,581 | 6,581 | 20,343 | 2,394 |
| EG Training | | 585 | 585 | 1,808 | 212 |
| EL Interagency DP Svcs | | 383 | 383 | 1,184 | 140 |
| EN Personnel Services | | 306 | 306 | 968 | 196 |
| ER Application Programmers | 149,580 | | 149,580 | | |
| EY Software Maintenance | | 560 | 560 | | |
| EZ Other Goods & Svcs | | 41,521 | 41,521 | 169,680 | 173,307 |
| Total Goods & Svcs | 149,580 | 51,911 | 201,491 | 198,153 | 176,549 |

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 | FY 14 | FY 15 | 13-15 Total | 15-17 Total | 17-19 Total |
|-----------------------------|--------|------------|------------|-------------|-------------|-------------|
| Economic Analyst 3 | 69,756 | | 0.1 | 0.1 | 0.2 | 0.2 |
| Customer Serv Spec 2 | 36,756 | | 1.0 | 0.5 | 1.5 | 0.0 |
| Fiscal Analyst 2 (indirect) | 45,828 | | 0.1 | 0.1 | 0.2 | 0.1 |
| IT Specialist 4 (indirect) | 71,496 | | 0.1 | 0.1 | 0.1 | 0.0 |
| Total FTEs | | 0.0 | 1.3 | 0.7 | 2.0 | 0.3 |

III. B – Expenditures by Program (optional)

| Program | FY 14 | FY 15 | 13-15 Total | 15-17 Total | 17-19 Total |
|-------------------------------|---------|---------|-------------|-------------|-------------|
| 100 - Mgmt & Support Services | | 17,994 | 17,994 | 63,843 | 51,403 |
| 200 - Information Services | 149,580 | 8,206 | 157,786 | 21,141 | 12,256 |
| 300 - Customer Relations | | 116,599 | 116,599 | 350,184 | 172,480 |
| <i>Total</i> | 149,580 | 142,799 | 292,379 | 435,168 | 236,139 |

Part IV: Capital Budget Impact

None

Part V: New Rule Making Required

None

Individual State Agency Fiscal Note

| | | |
|--|--|---|
| Bill Number: 1129 E 2S HB 1129-S2.E AMS TRAN S4676.2 | Title: Ferry vessel replacement | Agency: 405-Department of Transportation |
|--|--|---|

Part I: Estimates



No Fiscal Impact

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: 02/26/2014 |
| Agency Preparation: Matt Hanbey | Phone: 206-515-3763 | Date: 03/03/2014 |
| Agency Approval: Jean Baker | Phone: 206-515-3403 | Date: 03/03/2014 |
| OFM Review: Erik Hansen | Phone: 360-902-0423 | Date: 03/03/2014 |

Request # #14-078-1

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.

The bill applies the collection of service fees on vehicle registrations and certificates of title to the Department of Licensing and county agent or subagents. Revenues generated from the service fees including current collection by subagents of the department of licensing, will be deposited into the Capital Vessel Replacement Account. The bill authorizes the Legislature to transfer excess funds in the Capital Vessel Replacement Account to the Puget Sound Ferry Operations Account (Section 1).

A \$5 service fee for vehicle registration or vehicle registration renewal is to be collected when the vehicle registration or renewal is processed by the Department of Licensing, a county auditor, or subagent's office (Section 2).

A \$12 service fee for each certificate of title is to be collected when the certificate of title is processed by the Department of Licensing, a county auditor, or other agent's office (Section 2).

The requirements under the proposal apply to vehicle registrations and certificate of title transactions that are due or that become due starting January 1, 2015 (Section 5).

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.

Any revenues to be deposited into the Capital Vessel Replacement Account would be identified in the Department of Licensing fiscal note.

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.

The legislation does not require additional WSDOT expenditures to implement the service fees, nor does it authorize expenditures of funds deposited into the Capital Vessel Replacement Account or transferred to the Puget Sound Ferry Operations Account.

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.

LOCAL GOVERNMENT FISCAL NOTE

Department of Community, Trade and Economic Development

| | |
|--|--|
| Bill Number: 1129 E 2S HB 1129-S2.E AMS TRAN S4676.2 | Title: Ferry vessel replacement |
|--|--|

Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- ☐ Cities:
- ☒ Counties: Indeterminate increased expenditures for county auditors.
- ☐ Special Districts:
- ☐ Specific jurisdictions only:
- ☐ Variance occurs due to:

Part II: Estimates

- ☐ No fiscal impacts.
- ☒ Expenditures represent one-time costs: Costs to respond to customer inquiries regarding the fees.
- ☐ Legislation provides local option:
- ☒ Key variables cannot be estimated with certainty at this time: Staff hours required.

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

| |
|----------------------|
| Indeterminate Impact |
|----------------------|

Part III: Preparation and Approval

| | | |
|--------------------------------------|-----------------------|------------------|
| Fiscal Note Analyst: Alicia LeDuc | Phone: 360/725-5040 | Date: 03/03/2014 |
| Leg. Committee Contact: Amanda Cecil | Phone: 360-786-7429 | Date: 02/26/2014 |
| Agency Approval: Steve Salmi | Phone: (360) 725 5034 | Date: 03/03/2014 |
| OFM Review: Veronica Jarvis | Phone: (360) 902-0649 | Date: 03/03/2014 |

Part IV: Analysis

A. SUMMARY OF BILL

Provide a clear, succinct description of the bill with an emphasis on how it impacts local government.

CHANGES FROM PREVIOUS BILL VERSION (1129 E2S HB):

-- Strikes everything after the enacting clause and replaces it with certain amendments to chapter 46.17 RCW that would require the Department of Licensing (DOL) and county auditors, in addition to subagents, to collect a \$5 service fee for vehicle registrations and renewals and a \$12 service fee on certificate of title transaction due on or after January 1, 2015.

SUMMARY OF CURRENT BILL VERSION (1129-S2.E AMS TRAN S4676.2):

-- DOL and county auditors must collect a \$5 service fee for vehicle registrations and renewals and a \$12 service fee on certificate of title transactions.

-- Service fee revenues must be credited to the Capital Vessel Replacement Account under RCW 47.60.322.

-- The legislature may transfer from the Capital Vessel Replacement Account to the Puget Sound Ferry Operations Account such amount as reflects the excess fund balance of the Capital Vessel Replacement Account.

-- The bill applies to vehicle registrations and certificate of title transactions that are due, become due, or are processed on or after January 1, 2015.

B. SUMMARY OF EXPENDITURE IMPACTS

Briefly describe and quantify the expenditure impacts of the legislation on local governments, identifying the expenditure provisions by section number, and when appropriate, the detail of expenditures. Delineate between city, county and special district impacts.

This bill is expected to result in a one-time indeterminate increase in staff time in county auditors' offices in the first year of implementation due to increased staff time answering customer questions regarding the fees.

Based on data from DOL, 37.35 percent of the vehicle registration transactions were conducted by county auditors in FY 2013.

C. SUMMARY OF REVENUE IMPACTS

Briefly describe and quantify the revenue impacts of the legislation on local governments, identifying the revenue provisions by section number, and when appropriate, the detail of revenue sources. Delineate between city, county and special district impacts.

DOL assumes that this bill would not change overall workload between DOL, county auditors, and subagents.

The bill would increase funding to the Capital Vessel Replacement Account and potentially the Puget Sound Ferry Operations Account. Funds from both accounts are used to support the Washington State ferry system and would not impact local jurisdictions or ferry districts, according to the Washington State Department of Transportation (WSDOT).

SOURCES:

Washington State Department of Transportation (WSDOT)

Local Government Fiscal Note for 1129 PSHB (2014) including:

Local Government Fiscal Note for 1129 PSHB (2013)

Washington State Department of Licensing (DOL)

Washington Association of County Officials (WACO)

Douglas County Auditor's Office