

Multiple Agency Fiscal Note Summary

Bill Number: 1247 HB	Title: Concerning eligibility for lifetime veteran's disability passes.
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Estimated Cash Receipts

Agency Name	2017-19		2019-21		2021-23	
	GF- State	Total	GF- State	Total	GF- State	Total
State Parks and Recreation Commission	0	(191,400)	0	(382,800)	0	(382,800)
Total \$	0	(191,400)	0	(382,800)	0	(382,800)

Estimated Expenditures

Agency Name	2017-19			2019-21			2021-23		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
State Parks and Recreation Commission	.2	36,400	36,400	.1	18,600	18,600	.1	18,600	18,600
Department of Fish and Wildlife	.0	0	0	.0	0	0	.0	0	0
Department of Natural Resources	.0	0	0	.0	0	0	.0	0	0
Total	0.2	\$36,400	\$36,400	0.1	\$18,600	\$18,600	0.1	\$18,600	\$18,600

Estimated Capital Budget Impact

NONE

All cash receipts related to the Discover Pass appear only on the State Parks' fiscal note. Any reductions or increases are reflected in both the Recreation Access Pass Account and in the three destination accounts, which double-counts the revenue increase or loss. In order to estimate the actual impact, simply disregard the reduction or increase in the Recreation Access Pass Account.

Prepared by: Leslie Connelly, OFM	Phone: (360) 902-0543	Date Published: Final 1/12/2018
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

ENPID: 49344

FNS029 Multi Agency rollout

Individual State Agency Fiscal Note

Bill Number: 1247 HB	Title: Concerning eligibility for lifetime veteran's disability passes.	Agency: 465-State Parks and Recreation Commission
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2018	FY 2019	2017-19	2019-21	2021-23
Park Land Trust Revolving Account-State 087-1		(5,500)	(5,500)	(11,000)	(11,000)
State Wildlife Account-State 104-1		(5,500)	(5,500)	(11,000)	(11,000)
Recreation Access Pass Account-State 237-1		(68,300)	(68,300)	(136,600)	(136,600)
Parks Renewal and Stewardship Account-State 269-1		(112,100)	(112,100)	(224,200)	(224,200)
Total \$		(191,400)	(191,400)	(382,800)	(382,800)

Estimated Expenditures from:

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years	0.0	0.4	0.2	0.1	0.1
Account					
General Fund-State 001-1	0	36,400	36,400	18,600	18,600
Total \$	0	36,400	36,400	18,600	18,600

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: Sean Flynn	Phone: 360-786-7124	Date: 01/05/2018
Agency Preparation: Todd Tatum	Phone: (360) 902-8631	Date: 01/10/2018
Agency Approval: Chris Leeper	Phone: (360) 902-8542	Date: 01/10/2018
OFM Review: Leslie Connelly	Phone: (360) 902-0543	Date: 01/10/2018

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.

See attached.

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.

NOTE: OFM requested all funds affected by Discover Pass distribution be included in the cash receipts table to reflect the true roll-up process.

See attached.

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.

See attached.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years		0.4	0.2	0.1	0.1
A-Salaries and Wages		14,700	14,700	7,800	7,800
B-Employee Benefits		4,700	4,700	2,400	2,400
C-Professional Service Contracts					
E-Goods and Other Services		12,400	12,400	6,000	6,000
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		4,600	4,600	2,400	2,400
9-					
Total:	\$0	\$36,400	\$36,400	\$18,600	\$18,600

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 2018	FY 2019	2017-19	2019-21	2021-23
Customer Service Specialist 2	39,312		0.2	0.1	0.1	0.1
Office Assistant 2	34,176		0.2	0.1		
Total FTEs			0.4	0.2	0.1	0.1

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.

New rule making is needed to revise WAC 352-32-251(3).

Part II: Narrative Explanation

HB 1247 Lifetime Veteran's Disability Pass – Oregon residents

II.A - Brief Description Of What The Measure Does That Has Fiscal Impact

House Bill 1247 extends the State of Washington's Lifetime Veteran's Disability Pass to disabled veterans who are residents of Oregon State. This change would create additional workload for increased applications and need for customer service to administer the expanded program.

Section 2 amends eligibility requirements for park passes under RCW 79A.05.65. These changes would reduce the amount of revenue received from camping and park fees and increase the cost of expenditures for increased workload and cost to process reservations, changes and cancellations.

Section 2(3)(a) extends eligibility of the State of Washington's lifetime veteran's disability passes to include State of Oregon veterans having a service-connected disability of at least 30 percent. Benefits included under Section 2(3)(a)(i) to the veteran or members of his/her camping unit for free use of any campsite within any state park; Section 2(3)(a)(ii) to the veteran for free admission to any state park; and Section 2(3)(a)(iii) to the veteran an exemption from any reservation fees are also extended to Oregon residents.

Section 2(3)(b) extends the lifetime disabled veterans pass to Oregon veterans having a service-connected disability of at least 30 percent, as long as there is reciprocal statutory authority in the state of Oregon for similar cost-free access to Oregon's state parks for disabled veterans of Washington State. This fiscal note assumes there is a reciprocity agreement between Oregon and Washington.

Section 2(7)(a) gives the commission the authority to deny or revoke the Washington State pass for certain causes, except for passes issued under subsection (3) of RCW 79A.05.65. State Parks is unclear about the intent of this change so assumes no impact.

II.B - Cash Receipts Impact

Section 2 (3) extends the state residency requirement for issuance of the Lifetime Disabled Veterans pass to Oregon residents who are veterans that have a service-connected disability of at least 30 percent. This change would result in a loss in cash receipts from benefits that include free admission fees and camping fees for any state park.

Park Fee - Discover Pass Revenue

State Parks anticipates a loss of \$68,300 per year in annual Discover Pass revenue for the three natural resources agencies because Oregon disabled veterans would no longer need to purchase a Discover Pass each year to access state parks. The total disabled veteran population for the entire state of Oregon is 64,799 according to the 2015 United States Veterans Administration (USVA) Census Report. Seventy percent or 45,331 of the 64,799 are veterans with 30% or greater disability in the state of Oregon.

Parks assumes that most of the applications for Lifetime Disabled Veteran's passes would likely come from the Oregon counties bordering Washington State. The 2015 USVA Census shows that 8,159 disabled veterans may be eligible for the pass from bordering Oregon counties. Oregon State Parks and Recreation report that there are 30,146 active Special Access Pass for Veterans with Disabilities. Based on a comparison of the 2015 USVA data, the participation rate for active Oregon passes to the total number of disabled veteran is 46.5 percent. The Oregon pass does not indicate that the disability must be greater than 30 percent.

Based on the previous information, State Parks assumes the following:

Applying the 46.5% participation rate to the 8,159 veterans, it is estimated that 3,794 State of Oregon's veterans would be eligible for the Lifetime Disabled Veteran's pass. In a 2011 State Parks Survey, the data indicated that 60% of eligible State of Washington disabled veterans purchased an annual Discover Pass in addition to their Lifetime Veteran's Disability Pass. If Parks assumes the same purchase rate as Washington veterans, the number of Oregon disabled veterans (60% x 3,794) would equate to 2,276 potential purchases.

With 2,276 potential purchases, the estimated loss in annual Discover Pass revenue would be \$68,300. The cost of an annual Discover Pass is \$30 for 2,276 potential purchases equals \$68,280. Of that amount, 84% would be a revenue loss for the State Parks and Recreation Commission and 8% each for the Department of Fish and Wildlife and the Department of Natural Resources who share the revenue from the annual Discover Pass.

<u>Distribution of Discover Pass Revenue</u>		<u>\$68,300</u>
State Parks and Recreation Commission	84%	\$57,300
Department of Fish and Wildlife	8%	\$5,500
Department of Natural Resources	8%	\$5,500

Camping Fees

During 2016, Washington residents made 191,412 camping reservations through State Parks CAMIS Customer Reservation System (CRS). Of those reservations 16,129 were made by veterans with a Lifetime Veteran's Disability Pass for an 8.4% participation rate.

According to the USVA census data by state and county, there are 8,159 disabled veterans with a 30% or greater disability rating in Oregon counties that border Washington State. State Parks anticipates that a similar participation rate of 8.4% would extend to veterans, estimating that 685 veterans would most likely use the free camping and reservations privileges. The anticipated loss in camping revenue is expected to be about \$54,800. The loss is based on 685 x 2 nights x \$40/night camping rate.

The loss of revenue for State Parks from annual Discover Pass sales is \$57,300 and camping fees at \$54,800 for a total of \$112,100 each year.

II.C - Expenditures

Section 2 (3) would increase the workload needed to handle requests from Oregon residents, who are veterans with a service-connected disability of at least 30 percent, applying for the Washington State's Lifetime Veterans Disability Pass. State Parks assumes there would be a one-time surge in the number of disabled veterans from Oregon submitting their application.

Issuance of State of Washington's Lifetime Veteran's Disability Pass

During the first year, an estimated 700 applications for the Lifetime Veterans Disability Pass would be received. It is expected that the numbers will drop to 200 pass applications per year thereafter. Based on current processing time, it takes a Customer Service Specialist 2 approximately 30 minutes to process a veterans' application and document the disabilities. For 700 applications, at half an hour, it would take 350 hours or 0.2 FTE to process these additional applications. An Office Assistant 2 is needed in the first fiscal year to cover the initial surge in phone inquiries, receipt of

applications and fulfillment of the Lifetime Veteran's Disability Pass. Based on 700 applications at 30 minutes per application, it would take 350 hours or 0.2 FTE to handle the increased workload. Total staff costs for fiscal year 2019 would be 0.4 FTE in the amount of \$19,400. On-going staff costs to process the estimated 200 yearly applications would be 0.1 FTE for the Customer Service Specialist 2 in the amount of \$5,100 each fiscal year.

Indirect costs are calculated based on the federally approved agency rate at 23.5% of salaries and benefits for a total of \$4,600 in fiscal year 2019 and \$1,200 on-going.

Camping Fees

When a disabled veteran uses the Lifetime Veteran's Disability Pass, there is no cost to the veteran. However, the agency would be responsible to cover the cost of fees charged by the CAMIS Customer Reservation System (CRS) for reservations, changes and cancellations. Parks is assuming the effective date of this bill would be sine die. Since the CAMIS CRS is not currently programmed to accept authorization for Oregon residents to make the reservation and incur no cost, a manual override through the call center would be needed to complete the transaction. CAMIS programmers anticipate that it could take from 3-6 months to update program and implement. During that time, there is an additional \$2.00 per transaction at a cost of \$1,400 to perform the manual override.

Parks estimates 700 reservations. Currently, State Parks is contracted to pay \$9.00 for a standard call center reservation. The number of transactions is based on an average of data covering FY2012 through FY2016. The results show that 23% of all reservations were changed and 32% of all reservations were cancelled. Both the change and the cancellation result in a fee of \$10.75 for each type of transaction that State Parks would be obligated to pay the vendor.

Type of fee	Estimated number	Fee amount	Expense Cost
Make a reservation	700	\$9.00	\$6,300
Change a reservation	160	\$10.75	\$1,720
Cancel a reservation	220	\$10.75	\$2,400
Total potential fees			\$10,420
Rounded for fiscal purposes			\$10,400

Costs for rulemaking to revise WAC 352-32-251(3) would be an additional one-time expense of \$2,000 for staff time, Attorney General Consultation, mailings, and cost associated with holding public meetings.

Total costs for goods and services in fiscal year 2019 would be \$12,400 and on-going costs would be \$3,000 each year.

One-time expenditures to State Parks would be \$27,100 and 0.3 FTE for fiscal year 2019.

On-going costs for State Parks are estimated at \$9,300 and 0.1 FTE for a Customer Service Specialist 2.

State Parks relies on earned revenue from fees collected such as Discover Passes, camping, etc. to support the majority of their operations. Earned revenue is deposited into the Parks Renewal and Stewardship Account and provides a majority of the operations funding. The remaining balance is funded by General Fund-State and other dedicated accounts like boating and winter recreation.

To compensate for the loss of earned revenue in the Parks Renewal and Stewardship Account and the increase in expenditures to implement this legislation, State Parks requests General Fund-State resources to cover these costs.

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Required

New rule making is needed to revise WAC 352-32-251(3).

Individual State Agency Fiscal Note

Revised

Bill Number: 1247 HB	Title: Concerning eligibility for lifetime veteran's disability passes.	Agency: 477-Department of Fish and Wildlife
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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: Sean Flynn	Phone: 360-786-7124	Date: 01/05/2018
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Agency Approval: Owen Rowe	Phone: (360) 902-2204	Date: 01/09/2018
OFM Review: Leslie Connelly	Phone: (360) 902-0543	Date: 01/10/2018

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 2 entitles an Oregon military veteran with a service-connected disability of at least 30 percent to a WA State Parks lifetime veterans disability pass.

Section 3 ends this benefit on June 30, 2019.

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.

Sales Revenue Loss

Under existing law, the State Treasurer deposits the relevant revenues into the Recreational Access Permit Account (RAPA). State Parks is the agency charged with distributing Discover Pass fee and penalty revenues from RAPA. The \$68,310 (= 2,277 x \$30) annual loss to RAPA would be distributed across the Discover Pass agencies as follows:

\$68,310 x 84%	= \$57,380	loss per year to the Parks Renewal and Stewardship Account
\$68,310 x 8%	= \$5,464	loss per year to the State Wildlife Account
\$68,310 x 8%	= \$5,464	loss per year to Park Land Trust Account

The State Parks fiscal note will show the decrease to the State Wildlife Account from the projected reduction in Discover Pass sales outlined above. The negative cash receipts shown in this note is the loss in transaction fee revenue for those passes sold through the WILD automated license system.

Any loss in Discover Pass revenue directly causes a decrease in WDFW spending on recreation lands, such as maintaining water access sites, weed control, and providing a WDFW Enforcement presence during hunting and fishing seasons.

Transaction Fee Impact

Following lead agency assumptions from State Parks, this bill will result in an annual Discover Pass sales revenue loss of \$68,300. Because WDFW sells 41.39 percent of all Discover Passes, \$28,269 (\$68,300 * 0.4139) less in sales will be processed by the WDFW WILD system each year.

All items sold through WILD are subject to an additional 10% transaction fee per RCW 77.32.050 which is deposited into fund 104, State Wildlife account. This transaction fee is used for maintaining WILD, such as payments to the vendor who built and maintains the system. With \$28,269 less in sales going through WILD, WDFW will collect \$2,827 (\$28,269 * 0.1) less in transaction fees each year.

No Fiscal Impact

Because the revenue impact from this legislation is less than \$5,000, which is within normal revenue fluctuations in the context of the more than \$3.5 million per biennium that WDFW receives from Discover Pass sales, this

fiscal note shows no cash receipts impact.

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.

WILD System Maintenance

Following the lead agency assumptions from State Parks, this bill will result in 2,277 fewer annual Discover Passes being sold to Oregon veterans annually, and sales revenue loss of \$68,300. Because WDFW sells 41.39 percent of all Discover Passes, \$28,269 ($\$68,300 \times 0.4139$) less in sales will be processed by the WDFW WILD system each year.

All items sold through WILD are subject to a 10% transaction fee per RCW 77.32.050 which is deposited into fund 104, State Wildlife account. This transaction fee is used for maintaining WILD, such as payments to the vendor who built and maintains the system. With \$28,269 less in sales going through WILD, WDFW will make \$2,827 ($\$28,269 \times 0.1$) less in payments each year.

Because the expenditure impact from this legislation is less than \$5,000, which is within normal revenue fluctuations in the context of the more than \$3.5 million per biennium that WDFW spends from Discover Pass sales, this fiscal note shows no expenditure impact.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

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.

Individual State Agency Fiscal Note

Bill Number: 1247 HB	Title: Concerning eligibility for lifetime veteran's disability passes.	Agency: 490-Department of Natural Resources
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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: Sean Flynn	Phone: 360-786-7124	Date: 01/05/2018
Agency Preparation: Nicole Dixon	Phone: (360) 902-1200	Date: 01/12/2018
Agency Approval: Angus Brodie	Phone: 360-902-1355	Date: 01/12/2018
OFM Review: Leslie Connelly	Phone: (360) 902-0543	Date: 01/12/2018

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(7): Upon request to an agency, one complimentary Discover Pass must be provided each year to any Washington resident who is a veteran of the United States armed forces and has a documented service-connected disability of one hundred percent. The agency must require verification of the requester's disability rating.

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.

Under current law, money received from the sale of the Discover Passes and Day-Use Permits is deposited in the Recreation Access Pass Account. In turn, funds from the Recreation Access Pass are deposited into certain specified accounts (84% Parks, 8% WDFW, 8% DNR). See State Parks fiscal note on any available revenue impacts to the natural resource agencies.

RCW 43.30.385 establishes the uses of the park land trust revolving fund. Section (3)d specifies that the proceeds from the Recreation Access Pass Account be solely used for the purpose of operating and maintaining public use and recreation facilities, including trails, managed by DNR. Discover Pass revenues provide DNR with the ability to direct public access to designated recreation trails and facilities and appropriate behavior so that trust assets and the environment can be protected. This bill does not change RCW 43.30.385, so there's no specified expenditure fiscal impact from this bill. However, any decrease in revenue to the DNR Recreation program's Discover Pass funding would result in decreased capacity to do recreation trail and facility maintenance, signage, maps, education and enforcement, and restoration of recreation areas heavily impacted by unauthorized use.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

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.