

Multiple Agency Fiscal Note Summary

Bill Number: 6189 2S SB	Title: Driving w/ suspended license
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Estimated Cash Receipts

Agency Name	2017-19		2019-21		2021-23	
	GF- State	Total	GF- State	Total	GF- State	Total
Office of State Treasurer	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Department of Licensing	0	396,400	0	(1,222,000)	0	(3,700,300)
Total \$	0	396,400	0	(1,222,000)	0	(3,700,300)

Estimated Expenditures

Agency Name	2017-19			2019-21			2021-23		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Administrative Office of the Courts	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Department of Licensing	1.1	0	233,300	(6.0)	0	(993,500)	(6.8)	0	(1,122,000)
Total	1.1	\$0	\$233,300	(6.0)	\$0	\$(993,500)	(6.8)	\$0	\$(1,122,000)

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

Estimated Capital Budget Impact

NONE

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Prepared by: Veronica Jarvis, OFM	Phone: (360) 902-0649	Date Published: Final 3/ 2/2018
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 52828

FNS029 Multi Agency rollup

Judicial Impact Fiscal Note

Bill Number: 6189 2S SB	Title: Driving w/ suspended license	Agency: 055-Administrative Office of the Courts
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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
Counties					
Cities					
Total \$					

Estimated Expenditures from:

Non-zero but indeterminate cost. Please see discussion.
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The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

Check applicable boxes and follow corresponding instructions:

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- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.

Legislative Contact	Kimberly Johnson	Phone: (360) 786-7472	Date: 02/22/2018
Agency Preparation:	Sam Knutson	Phone: 360-704-5528	Date: 02/28/2018
Agency Approval:	Ramsey Radwan	Phone: 360-357-2406	Date: 02/28/2018
OFM Review:	Ramona Nabors	Phone: (360) 902-0547	Date: 03/01/2018

Request # 6189 2SSB-1

Part II: Narrative Explanation

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

Please see attached Judicial Impact Note (JIN).

II. B - Cash Receipts Impact

II. C - Expenditures

Part III: Expenditure Detail

Part IV: Capital Budget Impact

Part II: Narrative Explanation

This bill would provide that a person's driver's license may not be suspended for the failure to respond (FTR) to a notice of traffic infraction, failure to appear (FTA) at a requested hearing, violation of a written promise to appear in court, or failure to comply with the terms of a notice of traffic infraction.

The bill would create a new traffic infraction Driving While License Suspended or Revoked 4 (DWLS4), and elevate DWLS4 to DWLS3 upon the fifth violation of a DWLS4.

The bill would increase a portion of the existing \$20 legislative assessment from \$8.50 to \$10.50. The \$10.50 would be distributed \$6.50 to existing statutory distributions and \$4 to a new account.

The bill would create a new account called the Driver's License Technology Support Account (DLTSA). The bill would reallocate \$4 of the existing \$20 legislative assessment on each traffic infraction to the new account. The bill would also create a new \$2 assessment on traffic infractions and directs the distribution of the new assessment to the new DLTSA.

Part II.A – Brief Description of what the Measure does that has fiscal impact on the Courts

This bill would eliminate the failure to respond (FTR) or failure to appear (FTA) in connection with a traffic infraction as a reason for suspension of a person's driver's license.

The bill would create Driving While License Suspended (DWLS4) as a new traffic infraction, which would result from one of the following reasons:

- 1) A nonresident suspension;
- 2) A suspension for any reasons listed for DWLS2 or DWLS3 for which a person has resolved the reason for suspension but has not reinstated their license; and
- 3) Suspension of an intermediate driver's license.

The bill would retain DWLS3 suspensions that result from one of the following reasons:

- 1) Failure to furnish proof of satisfactory progress in a required alcohol or drug treatment program;
- 2) Failure to furnish proof of financial responsibility for the future;
- 3) Failure to comply with the provisions related to uninsured accidents;
- 4) Failure to comply with the terms of a notice of a criminal complaint; or
- 5) Failure to comply with a child support order.

The bill would elevate DWLS4 to DWLS3 upon the fifth violation of DWLS4.

Section 11(8)(b) – Would increase the current \$8.50 distribution of the \$20 legislative assessment per infraction to \$10.50. The distribution of the \$10.50 would include distributions of \$4 to the new Driver License Technology Support Account (DLTSA) created in Section 16 of this bill. The remainder of the \$20 legislative assessment would be distributed to local governments and the State General Fund, based on existing statute.

Section 15(4) – Would create a new \$2 dedicated assessment on each traffic infraction. The \$2 would be distributed to the DLTSA.

II.B - Cash Receipt Impact

This bill would change existing per infraction revenue distribution, and add a \$2 per infraction dedicated assessment.

Revenue impact is indeterminate, but expected to be significant. This bill would change existing statutory infraction revenue distribution and add a new dedicated assessment to each infraction and distribution of that assessment to a new account.

In order to provide an estimated impact of these changes, the following assumptions were used:

- Revenue estimates are based on a standard basic traffic infraction penalty and distribution (i.e., \$48, with statutory distributions, assessments, and splits state/local). Total for a traffic infraction with this base penalty amount becomes \$136. With the new distribution and dedicated \$2 assessment described below, **the total new traffic infraction penalty would become \$138.** The Administrative Office of the Courts (AOC) did not assess the revenue distribution impacts that would occur to every “type” of traffic infraction.
- Courts of Limited Jurisdiction (CLJ) traffic infraction caseloads for 2016 were used to provide a proxy “payment rate” for infractions. During 2016, the CLJ caseload reports displayed 299,161 infractions paid and 214,682 committed, totaling 513,843. **It should be noted that this represents a count of receipted infraction payments and does not represent how much of each infraction was paid, and how many assessments were waived or deferred.**

The draft language of Section 11(8)(b) changes the current \$8.50 to \$10.50, which is distributed to the GFS. This is a portion of the \$20 legislative assessment described in Section 11(8)(a). The distribution further directs \$4 of the \$10.50 to the newly created Driver’s License Technology Support Account (DLTSA). This changes the distribution of the balance (\$9.50, which is the remainder of the total \$20 assessment) to local governments and the state General Fund to \$6.46 and \$3.04, respectively. The current distribution is \$7.82 (local) and \$3.68 (state). This change will result in revenue loss to local governments and the state General Fund. Revenue loss to local governments is estimated at (\$1.36) per infraction, and (\$2.64) per infraction for the GFS. The tables below display the effect of the proposed changes. Using the CLJ caseloads noted above potential annual revenue loss to local governments could be approximately (\$700,000) while the potential annual revenue loss to the state general fund could be (\$1,357,000).

Table I – Current Legislative Assessment Distribution

	Initial Basis	Local Government	State General Fund	Driver License Tech Account
Legislative Assessment	8.50		8.50	
Remainder distribution, 68% local, 32% state	11.50	7.82	3.68	
Total Assessment	20.00	7.82	12.18	0.00

Table II – DRAFT Distribution

	Initial Basis	Local Government	State General Fund	Driver License Tech Account
Legislative Assessment	10.50		6.50	4.00
Remainder distribution, 68% local, 32% state	9.50	6.46	3.04	
Total Assessment	20.00	6.46	9.54	4.00

Table III – Legislative Assessment, Difference per Infraction

	Local Government	State General Fund	Driver License Tech Account
Current Distribution	7.82	12.18	
DRAFT Distribution	6.46	9.54	4.00
Difference	(1.36)	(2.64)	4.00

Section 15(4) would create a new \$2 assessment on each traffic infraction. The assumption is this will be in addition to all other statutory distributions and assessments and will be directly distributed to the DLTA.

Thus, it is assumed that a total of \$6 (the total of \$4 of the legislative assessment and the new \$2 dedicated assessment) of revenue received from each infraction would be directed to the DLTA. At the high end this could result in \$3,083,058 in annual revenue distributed to the new account.

II.C – Expenditures

This bill would effectively change most DWLS3 filings from misdemeanors to infractions. It is assumed that there would be judicial officer time savings due to the expected reduction of misdemeanor hearings due to this change. This savings would be mitigated by the expected increase in infraction hearings.

Expenditure impact is indeterminate. In order to provide an estimate, the AOC examined various data related to DWLS3 filings and hearings and all other infraction filings and hearings. On a statewide basis, time spent hearing these cases varies from jurisdiction to jurisdiction, and different case types provide different levels of complexity. Thus, a direct relationship of DWLS3 “minutes saved” to infraction hearings “minutes saved” may not provide a direct result of true time saved that would result in judicial officer cost savings.

For purposes of illustration, the following example and assumptions are provided:

Table I – Basic Determination of Minutes Saved, DWLS3 to Infractions¹

1	Average minutes saved per case from not hearing DWLS3 cases	20
2	Average annual number of DWLS3 cases	57,000
3	Average total time saved in minutes	1,140,000
4	Average time for an infraction case (minutes)	2
5	Number of infraction hearings in 2016	715,216
6	Total minutes for infraction hearings	1,430,432
7	Ratio of infraction hearings to infraction filings (see Table II)	69.8%
8	Increase in minutes for infraction hearings (line 4 x line 5 x line 7)	998,960
9	Net time difference (minutes) Line 8 minus Line 3	(141,040)
10	Potential cost savings	(\$470,804)

Table II – Ratio of Infraction Filings to Total Hearings

715,216	Filings
58,189	Deferred
135,359	Dismissed
9,158	Not Committed
97,705	Contested Hearings
106,105	Mitigation Hearings
3,696	Show Cause Hearings
89,268	Other Hearings
499,480	Total Hearings
69.8%	Ratio of infractions hearings to infraction filings

Section 11(8)(b) and Section 15(4) would require significant changes to all infraction revenue case-type codes in use by courts for recording and distributing revenue. While this will not require modification of information technology systems, these changes will require staff time for modification of existing codes and creation of new codes, testing, updates to all appropriate documentation, and court education regarding the changes. This would be managed within existing resources.

¹ DWLS3, infraction, and hearings data source Caseloads of the Courts of Limited Jurisdiction (2016)

Individual State Agency Fiscal Note

Bill Number: 6189 2S SB	Title: Driving w/ suspended license	Agency: 090-Office of State Treasurer
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost. Please see discussion.

Estimated Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

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- ☒ 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: Kimberly Johnson	Phone: (360) 786-7472	Date: 02/22/2018
Agency Preparation: Dan Mason	Phone: 360-902-9090	Date: 02/23/2018
Agency Approval: Dan Mason	Phone: 360-902-9090	Date: 02/23/2018
OFM Review: Ramona Nabors	Phone: (360) 902-0547	Date: 02/24/2018

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.

2SSB 6189 creates the driver licensing technology support account as a subaccount in the highway safety fund.

Assumption: The driver licensing technology support account earnings from investments will be credited to the general fund.

In addition, this bill directs some additional money into the highway safety fund.

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.

Projected cash flows are currently unavailable; therefore, estimated earnings from investments are indeterminable. Earnings for an account are a function of the average daily balance of the account and the earnings rate of the investment portfolio. Two accounts with the same overall level of receipts, disbursements, and transfers can have different average daily balances, and hence different earnings. Based on the February 2018 revenue forecast, assume approximately \$10,300 in FY 18, \$17,800 in FY 19, \$25,400 in FY 20 and \$30,800 in FY 21 in net earnings would be gained or lost annually for every \$1 million shift in average daily cash balances.

There may be an impact on the debt service limitation calculation. Any change to the earnings credited to the general fund will change, by an equal amount, general state revenues.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

NONE

Part IV: Capital Budget Impact

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: 6189 2S SB	Title: Driving w/ suspended license	Agency: 240-Department of Licensing
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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
Highway Safety Account-State	106-1		396,400	396,400	(1,222,000)	(3,700,300)
	Total \$		396,400	396,400	(1,222,000)	(3,700,300)

Estimated Expenditures from:

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years	0.0	2.1	1.1	(6.0)	(6.8)
Account					
Highway Safety Account-State 106-1	0	233,300	233,300	(993,500)	(1,122,000)
Total \$	0	233,300	233,300	(993,500)	(1,122,000)

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.

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- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Kimberly Johnson	Phone: (360) 786-7472	Date: 02/22/2018
Agency Preparation: Don Arlow	Phone: (360) 902-3736	Date: 02/27/2018
Agency Approval: Dan Weeks	Phone: (360) 902-0147	Date: 02/27/2018
OFM Review: Veronica Jarvis	Phone: (360) 902-0649	Date: 02/27/2018

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.

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 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years		2.1	1.1	(6.0)	(6.8)
A-Salaries and Wages		74,600	74,600	(510,000)	(572,800)
B-Employee Benefits		36,700	36,700	(229,300)	(260,000)
E-Goods and Other Services		122,000	122,000	(254,200)	(289,200)
Total:	\$0	\$233,300	\$233,300	(\$993,500)	\$(1,122,000)

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	3,353		1.8	0.9	(2.3)	(3.0)
Indirect FTE			0.3	0.2	(0.7)	(0.8)
Licensing Services Representative 2	4,292				(3.0)	(3.0)
Total FTEs			2.1	1.1	(6.0)	(6.8)

III. C - Expenditures By Program (optional)

Program	FY 2018	FY 2019	2017-19	2019-21	2021-23
Mgmt & Support Services (100)		9,600	9,600	(62,200)	(70,200)
Information Services (200)		87,000	87,000	(44,300)	(50,000)
Customer Relations (300)		136,700	136,700	(734,200)	(849,000)
Programs & Services (600)				(152,800)	(152,800)
Total \$		233,300	233,300	(993,500)	(1,122,000)

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

Agency 240 – Department of Licensing

Bill Number: 2SSB 6189 Bill Title: Driving with suspended license

Part 1: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts

Account Name	Account	FY 18	FY 19	17-19 Total	19-21 Total	21-23 Total
Highway Safety Account	106	-	396,400	396,400	(1,222,000)	(3,700,300)
Account Totals		-	396,400	396,400	(1,222,000)	(3,700,300)

Estimated Expenditures:

	FY 18	FY 19	17-19 Total	19-21 Total	21-23 Total
FTE Staff Years	-	2.1	1.1	(6.0)	(6.8)

Account Name	Account	FY 18	FY 19	17-19 Total	19-21 Total	21-23 Total
Highway Safety Account	106	-	233,300	233,300	(993,500)	(1,122,000)
Account Totals		-	233,300	233,300	(993,500)	(1,122,000)

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates and alternate ranges (if appropriate), are explained in Part II.

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- ☒ If fiscal impact is **greater than \$50,000** per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form
- ☐ Capital budget impact, complete Part IV
- ☐ Requires new rule making, complete Part V

Legislative Request: Derek Rutter	Phone: 360-902-0409	Date: 2/22/18
Agency Preparation: Don Arlow	Phone: 360-902-3736	Date: 2/23/18
Agency Approval: Diamatris Winston	Phone: 360-902-3644	Date: 2/26/18

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Request #	1
Bill #	6189 2SSB

Part 2 – Explanation

This bill modifies sentencing provisions with regard to driving a motor vehicle with a suspended or revoked driver's license, for certain suspensions related to failure to appear or respond (FTA) to notice of a traffic infraction.

2SSB 6189 compared to SSB 6189: 2SSB 6189 moves the effective date to create a traffic infraction of Driving While License Suspended 4 (DWLS 4) to July 1, 2019. 2SSB 6189 removes certain notification requirements from the Department of Licensing (DOL). Provisions in SSB 6189 that would have eliminated a significant number of traffic violations from driver records have been removed. DOL is required to convene a work group that will examine driver's license reinstatement options for persons suspended for non-criminal, FTA related reasons.

2SSB 6189 also creates the Driver Licensing Technology Support Account. Revenue to this account will be from a new \$2 dollar assessment on traffic infractions, and a \$1 dollar increase in the cost of an original or renewal application for a driver's license or identicard, including enhanced documents. Revenue from traffic infractions is collected by the court, and is not reflected in DOL's fiscal note.

The changes in 2SSB 6189 will have a fiscal impact on both cash receipts and expenditures. Eliminating driver's license suspensions for FTAs will eliminate the reissue fees paid under current law. This revenue reduction is partially offset by the proposed fee increase for driver's licenses and identicards. DOL will have one-time expenditures for information technology systems modifications, and minor costs associated with an increased volume of phone calls from persons with suspended licenses. One-time mail expenditures included in SSB 6189 are removed. Longer term savings will be realized due to fewer suspended and reinstated driver's licenses.

2.A – Brief Description on what the measure does and how it has a fiscal impact

Section 1 amends RCW 46.20.289 to state that DOL will no longer suspend driving privileges for failure to respond to a notice of traffic infraction for a moving violation, failure to appear at a requested hearing for a moving violation, or violated a written promise to appear in court for notice of infraction for a moving violation (FTAs). DOL will only suspend, after receiving notice from a court, for failure to comply with the terms of a criminal complaint or criminal citation.

Section 2 amends RCW 46.20.291 to remove DOL's authority to suspend a license for the above FTAs.

Section 4 amends RCW 46.20.342 to remove certain FTAs from DWLS 3, and to create and define DWLS 4, as a traffic infraction.

Section 5 amends RCW 10.31.100 to remove arresting authority for certain FTAs since they are no longer misdemeanors.

Section 7 amends RCW 46.20.005 to remove the misdemeanor classification from certain DWLS offenses that will become traffic infractions.

Section 8 amends RCW 46.20.391 to remove person suspended for failure to appear or pay a traffic ticket as eligible for an occupational driver's license (ODL), since these people will no longer have their driver's licenses suspended.

Section 10 amends RCW 46.63.020 to exempt DWLS 4 from classification of criminal offense.

Section 11 amends RCW 46.63.110 to increase traffic infraction penalties by \$2, and establishes the distribution of revenue.

Section 12 amends RCW 46.63.110 to end DOL's notification by the courts of records to suspend for failure to set up a payment plan or meet conditions of a payment plan for infractions subject to suspension under RCW 46.20.289.

Section 13 amends RCW 46.64.025 to remove certain FTAs as records courts can send to DOL for suspension. Courts will suspend for failure to comply with the terms of a traffic-related criminal complaint or criminal citation.

Section 14 is a new section that requires DOL to convene a workgroup to examine retroactive reinstatement options for persons with FTA-related driver's license suspensions.

Section 16 is a new section that establishes the "Driver License Technology Support Account" as a subaccount of the Highway Safety Fund. The new account is subject to appropriation. Expenditures from the account may be used only for supporting information technology systems used by DOL to communicate with the Judicial Information System, manage driving records, and implement court orders.

Section 17 is a new section that adds \$1 to the fee for all driver's license and identicard applications, including enhanced documents.

Section 18 repeals RCW 46.20.2891 (moving violation definitions by rule).

Section 19 provides that the \$1 fee increase for all driver's license and identicard applications is effective April 1, 2019.

Section 20 establishes an effective date for sections 1-10, 12, 13, and 18 of July 1, 2019.

2.B - Cash Receipt Impact

Partially indeterminate.

Account Name	Account	FY 18	FY 19	17-19 Total	19-21 Total	21-23 Total
Highway Safety Account	106	-	396,400	396,400	(1,222,000)	(3,700,300)
Account Totals		-	396,400	396,400	(1,222,000)	(3,700,300)

Driver's license duplicate fee

Persons with a driver's license that has been suspended for non-DUI reasons, including FTA, who resolve the underlying reason for suspension will be subject to a \$20 duplicate fee if they are still within the time period of their previous license being valid. The number of reissuances that include a duplicate fee are unknown at this time.

Driver's license reissue fee

Persons with a driver's license that has been suspended for non-DUI (driving under the influence) reasons, including FTA, can pay a \$75 reissue fee following resolution of the underlying reasons for the suspension. Under the provisions of this bill, certain FTAs will no longer be a reason for license suspension after July 1, 2019. Therefore, a reduction in revenue related to the reduced volume of paid reissue fees is expected. The \$75 license reissue fee is deposited in the Highway Safety Account. The following assumptions have been used:

- 20 percent of the current reissuances have some other suspension action and will continue into future years.
- Reissues will drop 20 percent, initially as a result of not suspending for non-criminal FTAs beginning July 1, 2019 (FY 20).
- Section 17 imposes an additional one dollar application fee on the issuance of an original or renewed driver license or identicard or an enhanced driver license or identicard.
- The February 2018 Transportation Revenue Forecast transactions are used to estimate the impacts of the legislation.

Cash receipts	FY 19	FY 20	FY 21	FY 22	FY 23
Transaction volumes, Add \$1 fee increase					
PDL Original	73,389	297,052	300,965	304,974	309,355
PDL Renewal	186,910	802,416	833,937	807,464	798,929
PDL Extension	17,272	-	-	-	-
EDL Total	86,795	371,924	428,904	461,492	460,474
ID Original	21,377	86,530	87,670	88,840	90,120
ID Renewal	10,610	12,882	32,443	34,680	34,370
Cash receipts, \$1 fee increase	\$396,353	\$1,570,804	\$1,683,919	\$1,697,450	\$1,693,248
Reissue transactions, volume change	-	(11,703)	(47,986)	(47,363)	(47,185)
Cash receipts, \$75 reissue fee	\$0	(\$877,725)	(\$3,598,950)	(\$3,552,225)	(\$3,538,875)
Cash receipts, total change	\$396,353	\$693,079	(\$1,915,031)	(\$1,854,775)	(\$1,845,627)

Note: Table totals may exhibit minor differences due to rounding.

2.C – Expenditures

This bill will have an expenditure impact in several areas. There will be short-term costs to manage customer phone calls related to suspensions, and to modify information technology systems. Over time, the reduction in suspensions and reinstatements will reduce costs.

Standard FTE goods and services (object E) costs are included on Table 3.A.1. Standard FTE costs do not include objects EM (AG services), ER (contractual services), and EZ (indirect) which are also shown in Table 3.A.1.

Driver's license records

Following implementation of this bill DOL will be able to eliminate one Customer Service Specialist 2 (CSS2) FTE in the driver records unit that processes suspensions and reinstatements resulting from failing to appear or failing to pay moving violations. Future

requirements for driver's license records maintenance will depend on any adopted outcomes from the reinstatement options workgroup established under the provisions of this bill.

Customer Service Center and Licensing Services Offices

One of the more typical calls to DOL customer service center relates to a driver's suspended driver's license, and the steps necessary to restore the driving privilege. Although this bill no longer includes the provision that DOL notify persons with a FTA only related license suspension, the department still anticipates an increased call volume following passage of the bill. DOL estimates that 20 percent of persons suspended for FTA-related reasons will call in Fiscal Year 2019 regarding the status of their suspension, and the options for reinstatement of their driving privilege. Calls are managed by CSS2s, who can manage an average of 20,800 calls per year.

$185,150 \text{ FTA-related suspensions} \times 20 \text{ percent calls} / 20,800 \text{ calls per CSS2} = 1.8 \text{ CSS2 FTEs}$

Call volumes are expected to be lower in the out-years, since fewer persons will be suspended. Reduced FTE levels are reflected in the fiscal note.

Persons that have resolved FTA issues with the court can reinstate their driving privilege upon payment of a \$75 dollar reissue fee at a licensing services office (LSO). Following implementation of this bill, office visits will be reduced as fewer FTA-related suspensions result in fewer office trips to pay the reissue fee. It takes approximately 4.5 minutes of LSO counter time to complete the reissue payment process. The anticipated workload reductions will result in an ongoing reduction of 3.0 FTE Licensing Services Representative 2 positions.

Reinstatement Options Workgroup

Section 14 of the bill requires DOL to convene a workgroup that will examine retroactive reinstatement options for persons suspended for FTA-related reasons. The workgroup must report its recommendations to the Legislature by December 1, 2018. Participation in work groups is a standard operations function. DOL serving as the lead agency for the workgroup will not require new resources.

Information Services

This bill will require modifications to DOL's information technology systems. The agency will use appropriated funds to hire contract programmers to accomplish this work or to support current staff implementing this legislation within the required timeline. Appropriated funds may also be used to hire agency temporary staff to support permanent staff assigned to this legislative effort.

Any change requires a process to ensure changes are correctly applied to the system. This involves Project Managers that manage the team that completes the update, business analyst that documents and reviews the system changes, architect services that analyzes how the update could have an effect on other systems or DOL processes, developers who create the change, and testers and quality assurance teams that ensure the update is working correctly.

What DOL will implement:

DRIVES – Effective 4/1/2019

- Fee table update to create new \$1 fee, revenue accounting code (RAC), and fund.
- New logic to charge the new fee on original and renewal of a driver's license or identicard, including enhanced documents.

DRIVES – Effective 7/1/2019

- Modify violations table based on which RCWs require suspension and create a new DWLS 4th (Criminal vs non-criminal).
- Modify logic and screen based on table updates for DWLS 4th and not suspending for non-criminal moving violations.
- New status for types of reinstatement. (legacy records do not include data needed for DWLS 4)
- One-time reinstatement status update to differentiate degrees of DWLS (2nd and 3rd).
- Change interface if criminal or non-criminal, includes FormSite, Seattle Municipal court and Administrative Office if the Courts (AOC) interfaces.
- Screen change FTA entry screen to capture new information.

Cost Category	Description	Rate	2018	2019	2020	2021	2022	2023	Total Cost
TESTER	Test to verify individual components meet requirements; ensure that other business transactions have not been impacted.	\$ 18,444	-	14,800	-	-	-	-	14,800
BUSINESS ANALYST	Determine business requirements; translate requirements into what changes are needed to various systems including account codes, inventory codes, testing considerations, etc.	\$ 26,448	-	7,900	-	-	-	-	7,900
PROJECT MANAGER	Manage schedule and contracts	\$ 27,492	-	5,500	-	-	-	-	5,500
QUALITY ASSURANCE	Plan and carry out activities to assure project deliverables; e.g. preventative defect activities, align quality measures and business objectives.	\$ 31,668	-	19,000	-	-	-	-	19,000
SECURITY AND ARCHITECT SERVICES	Create the conceptual model that defines the structure, behavior and framework of a computerized system including a breakdown of the system into components, the component interactions and interfaces (including with the environment, especially the user), and the technologies and resources to be used in the design.	\$ 27,144	-	5,400	-	-	-	-	5,400
DEVELOPERS	Modify programming and coding to all major systems	\$ 18,444	-	20,300	-	-	-	-	20,300
Project Contingency	Office of the Chief Information Officer designated rate of 10%	\$ -	-	7,300	-	-	-	-	7,300
Totals			-	80,200	-	-	-	-	80,200

Support Services

Administrative support is included at a rate of 12 percent of the direct program costs, captured in object EZ. This percentage is split 7 percent for Management and Support Services (MSS) and 5 percent for Information Services Division (ISD) functions. DOL uses a Fiscal Technician 2 (MSS) and an IT Specialist 4 (ISD) staffing costs as a proxy to determine FTE and display them under Indirect Staff in table 3.B.

Administrative support funding received covers agency-wide functions such as vendor payments, contract administration, financial management, mail processing, equipment management, help desk support, and technical assistance to DOL employees.

Part 3 – Expenditure Detail

3.A – Expenditures by Object or Purpose

Object Name	FY 18	FY 19	17-19 Total	19-21 Total	21-23 Total
FTE Staff Years	-	2.1	1.1	(6.0)	(6.8)
Salaries and Wages	-	74,600	74,600	(510,000)	(572,800)
Employee Benefits	-	36,700	36,700	(229,300)	(260,000)
Goods and Services	-	122,000	122,000	(254,200)	(289,200)
Total By Object Type	-	233,300	233,300	(993,500)	(1,122,000)

3.A.1 – Detail of Expenditures by Sub-Object (Goods and Services Only)

Object E - Description	FY 18	FY 19	17-19 Total	19-21 Total	21-23 Total
EA - General Office Supplies	-	2,300	2,300	(11,200)	(12,800)
EB - Phone/Install/Usage	-	1,300	1,300	(6,300)	(7,200)
ED - Facility/Lease Costs	-	12,300	12,300	(58,800)	(67,200)
EG - Training	-	1,200	1,200	(5,600)	(6,400)
EK - Facilities and Services	-	2,700	2,700	(12,900)	(14,800)
EL - Interagency DP Svcs	-	5,800	5,800	(27,600)	(31,600)
EN - Personnel Services	-	500	500	(2,300)	(2,600)
ER - Other Contract Costs	-	800	800	(4,000)	(4,600)
ER - Application Programmers	-	80,200	80,200	-	-
EY - Software Maintenance	-	4,000	4,000	(19,000)	(21,800)
EZ - Indirect Costs	-	20,000	20,000	(106,500)	(120,200)
Total Goods & Services	-	131,100	131,100	(254,200)	(289,200)

3.B – FTE Detail

Position	Salary	FY 18	FY 19	17-19 Total	19-21 Total	21-23 Total
Customer Service Specialist 2	3,353	-	1.8	0.9	(2.3)	(3.0)
Licensing Services Representative 2	4,292	-	-	-	(3.0)	(3.0)
Indirect FTE		-	0.3	0.2	(0.7)	(0.8)
Total FTE		-	2.1	1.1	(6.0)	(6.8)

3.C – Expenditures by Program (Optional)

Program	FY 18	FY 19	17-19 Total	19-21 Total	21-23 Total
100 - Mgmt & Support Services MSS	-	9,600	9,600	(62,200)	(70,200)
200 - Information Services ISD	-	87,000	87,000	(44,300)	(50,000)
300 - Customer Relations CRD	-	136,700	136,700	(734,200)	(849,000)
600 - Programs & Services PSD	-	-	-	(152,800)	(152,800)
Totals by Program	-	233,300	233,300	(993,500)	(1,122,000)

Part 4 – Capital Budget Impact

None.

Part 5 – New Rule Making Required

None.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 6189 2S SB	Title: Driving w/ suspended license
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

☒ Cities: Reduced revenue from traffic infraction penalties

☒ Counties: Same as above

☐ Special Districts:

☐ Specific jurisdictions only:

☐ Variance occurs due to:

Part II: Estimates

☐ No fiscal impacts.

☐ Expenditures represent one-time costs:

☐ Legislation provides local option:

☒ Key variables cannot be estimated with certainty at this time: The payment rate for traffic infractions is not known.

Estimated revenue impacts to:

Indeterminate Impact

Estimated expenditure impacts to:

None

Part III: Preparation and Approval

Fiscal Note Analyst: Alice Zillah	Phone: 360-725-5035	Date: 03/01/2018
Leg. Committee Contact: Kimberly Johnson	Phone: (360) 786-7472	Date: 02/22/2018
Agency Approval: Renee Martine-Tebow	Phone: 360-725-5045	Date: 03/01/2018
OFM Review: Ramona Nabors	Phone: (360) 902-0547	Date: 03/02/2018

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 PRIOR BILL VERSION:

The second substitute version of the bill makes a number of changes to the prior version, including modifying the allocation formula for the penalty for those found to have committed a traffic infraction.

SUMMARY OF CURRENT BILL VERSION:

The legislation eliminates the failure to respond or appear in connection with a traffic infraction as a reason for suspension of a person's driver's license. It creates the Driving While License Suspended or Revoked 4 (DWLS 4), a traffic infraction resulting from a nonresident suspension, suspension of an intermediate driver's license, or suspension for any of the reasons listed in DWLS 2 or 3 when the person has resolved the underlying issue but not reinstated his or her license. A fifth violation of DWLS 4 becomes a DWLS 3 offense.

Sec. 11 amends RCW 46.63.110. In addition to any other penalties imposed under this section, a person found to have committed a traffic infraction shall be assessed an additional penalty of \$20. Ten dollars and fifty cents (an additional \$2) of the additional penalty shall be remitted to the state treasurer. The remaining revenue from the additional penalty must be remitted under chapters 2.08, 3.46, 3.50, 3.62, 10.82, and 35.20 RCW.

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.

The legislation would have no expenditure impacts for local government.

Please note that court impacts, including judicial costs, clerk costs, and court fees, are described in fiscal notes prepared by the Administrative Office of the Courts (AOC). Local government fiscal notes include city and county expenditures for law enforcement investigations and arrests, indigent defenders, prosecutors, and jail costs.

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.

The legislation would reduce revenue for local government. Currently, under the allocation formula in RCW 46.63.110, \$7.62 of the \$20 portion of the penalty is directed to cities and counties. Under the bill, this amount would be reduced by \$1.36 per infraction, to \$6.46.

The Administrative Office of the Courts (AOC) used data from Courts of Limited Jurisdiction (CLJ) traffic infraction caseloads to estimate the number of infractions and payment rates. During 2016, there were 299,161 infractions paid and 214,682 committed, totaling 513,843. AOC does not have data on how much of each infraction was paid, and how many assessments were waived or deferred.

These numbers can be used as the basis for a range of estimates. On the low end, if the infraction penalty difference was only applied to the tickets paid, it would equal an annual revenue loss of \$406,859 (299,161 infractions x \$1.36). If the difference is applied to infractions both paid and committed, it equals an annual revenue loss of \$698,826 (513,843 infractions x \$1.36).

Because there is no data available on the payment rate for infractions, the revenue loss is indeterminate.

SOURCES:

Washington Association of Prosecuting Attorneys
Administrative Office of the Courts