

Multiple Agency Fiscal Note Summary

Bill Number: 5226 E S SB AMH TR H1493.1	Title: License suspensions/traffic
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Estimated Cash Receipts

Agency Name	2021-23			2023-25			2025-27		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Department of Licensing	0	0	628,000	0	0	1,430,000	0	0	(2,651,000)
Department of Licensing	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.								
Total \$	0	0	628,000	0	0	1,430,000	0	0	(2,651,000)

Agency Name	2021-23		2023-25		2025-27	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Loc School dist-SPI						
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2021-23				2023-25				2025-27			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Administrative Office of the Courts	.0	44,100	44,100	44,100	.0	0	0	0	.0	0	0	0
Department of Licensing	4.6	0	0	1,373,000	10.4	0	0	2,085,000	4.1	0	0	940,000
Total \$	4.6	44,100	44,100	1,417,100	10.4	0	0	2,085,000	4.1	0	0	940,000

Estimated Capital Budget Expenditures

Agency Name	2021-23			2023-25			2025-27		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Administrative Office of the Courts	.0	0	0	.0	0	0	.0	0	0
Department of Licensing	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

NONE

Prepared by: Kyle Siefering, OFM	Phone: (360) 995-3825	Date Published: Final 4/ 9/2021
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Judicial Impact Fiscal Note

Bill Number: 5226 E S SB AMI TR H1493.1	Title: License suspensions/traffic	Agency: 055-Administrative Office of the Courts
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated Expenditures from:

STATE	FY 2022	FY 2023	2021-23	2023-25	2025-27
State FTE Staff Years					
Account					
General Fund-State 001-1	44,100		44,100		
State Subtotal \$	44,100		44,100		
COUNTY	FY 2022	FY 2023	2021-23	2023-25	2025-27
County FTE Staff Years					
Account					
Local - Counties					
Counties Subtotal \$					
CITY	FY 2022	FY 2023	2021-23	2023-25	2025-27
City FTE Staff Years					
Account					
Local - Cities					
Cities Subtotal \$					

Estimated Capital Budget Impact:

NONE

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:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia , complete entire fiscal note for 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.

Contact	Phone:	Date: 04/05/2021
Agency Preparation: Sam Knutson	Phone: 360-704-5528	Date: 04/07/2021
Agency Approval: Ramsey Radwan	Phone: 360-357-2406	Date: 04/07/2021
OFM Review: Gaius Horton	Phone: (360) 819-3112	Date: 04/07/2021

169,337.00

Request # 5226 ESSB-1

Form FN (Rev 1/00)

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Bill # 5226 E S SB AMH TR H1493.1

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 III: Expenditure Detail

III. A - Expenditure By Object or Purpose (State)

<i>State</i>	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years					
Salaries and Wages	30,870		30,870		
Employee Benefits	13,230		13,230		
Professional Service Contracts					
Goods and Other Services					
Travel					
Capital Outlays					
Inter Agency/Fund Transfers					
Grants, Benefits & Client Services					
Debt Service					
Interagency Reimbursements					
Intra-Agency Reimbursements					
Total \$	44,100		44,100		

III. B - Expenditure By Object or Purpose (County)

NONE

III. C - Expenditure By Object or Purpose (City)

NONE

III. D - FTE Detail

NONE

III. E - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B1 - Expenditures by Object Or Purpose (State)

NONE

169,337.00

Form FN (Rev 1/00)

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Request # 5226 ESSB-1

Bill # 5226 E S SB AMH TR H1493.1

IV. B2 - Expenditures by Object Or Purpose (County)

NONE

IV. B3 - Expenditures by Object Or Purpose (City)

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

Part II: Narrative Explanation

This bill would change requirements for notice of infractions (NOI), providing an option not to pay, allowing for a payment plan, would redistribute a portion of the legislative assessment revenue under RCW 46.63.110, and would create a new \$2 assessment on each infraction to fund Department of Licensing (DOL) technology improvements.

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

Section 1 – Would amend RCW 46.63.060 to change requirements for a notice of infraction (NOI). The bill would add an option to allow a person to admit responsibility for an infraction and attest that the person must receive information on how to obtain a payment plan from the court, and that failure to pay may result in collection action. The bill would remove suspension of driver's license as a penalty.

Section 2(1) - Would amend RCW 46.63.070 to extend the response time for a NOI from 15 to 30 days.

Section 3 – Would amend RCW 46.63.110 to provide that the court may waive or remit any monetary penalty, fee, cost, assessment, or other monetary obligation associated with a traffic infraction unless the specific monetary obligation in question is prohibited from being waived or remitted by state law; major changes to payment plan notification & requirements.

Section 3(8)(a) – Would amend RCW 46.63.110 to increase the Legislative Assessment by \$4 (from the current \$20 to \$24).

Section 3(8)(b) – Would change the distribution of the \$24 legislative assessment under Section 3(8)(a). \$12.50 of the penalty would be distributed as follows: \$8.50 would be distributed to the State General Fund and \$4 would be distributed to the Driver Licensing Technology Support Account (DLTSA) created in Section 15 of this bill. Revenue distributed to the DLSTA would be used by the Department of Licensing (DOL) to communicate with judicial information systems, manage driving records, and implement court orders.

Section 4 – Would add a new section to RCW 46.63 specifically governing traffic infraction payment plans. Court administrative fees for payment plans would be authorized, allowing a court to assess a fee of \$10 per infraction or \$25 per payment plan, whichever is less.

Section 12 – Would amend RCW 46.64.025 to only require court reporting of criminal traffic, not infractions.

Section 14(7) – Would amend RCW 2.68.040 (JIS account) to add an additional \$2 assessment to traffic infractions, to be distributed to the DLSTA.

Section 15 – Would create the Driver Licensing Technology Account as a subsidiary account of the Highway Safety Fund.

Section 16 – Would establish an effective date of January 1, 2023 for this bill.

II.B - Cash Receipt Impact

Indeterminate, but expected to be significant.

Assumptions

- This bill would redirect a portion of the \$24 legislative assessment to the newly created DLTSA.
- Currently, \$8.50 is distributed to the state General Fund. This bill would change that distribution to \$12.50, with \$8.50 distributed to the state General Fund and \$4.00 distributed to the DLTSA.
- The bill also adds a new \$2 assessment to each traffic infraction, directing this revenue to the DLTSA.
- Section 1(2)(a)(ii) would provide that an option would be available for a person to admit responsibility for an infraction and attest that they do not have the current ability to pay the infraction in full. Under this option, the person must receive information on how to obtain a payment plan from the court. It is unknown how many persons would select this option.
- Maximum fines are not always ordered, not all fines are collected in full, and fines sometimes take years to collect.

Revenue impacts are indeterminate, but for illustrative purposes the following example is provided.

The current distribution of the \$20 legislative assessment (RCW 46.63.110(8)(a)) provides for \$8.50 distributed to the state General Fund, with the residual distributed to the state and local governments as provided by RCW's 3.46.120, 3.50.100, and 35.20.220 (68% remains local, 32% distributed to the state). This bill would increase the legislative assessment to \$24. This bill would increase the initial distribution to the state General Fund to \$12.50, with \$8.50 distributed to the State General Fund and \$4.00 distributed to the DLTSA created by this bill. The following table displays this impact, using 100 infraction filings as a proxy for revenue impact.

Table I – Example of Redistribution of \$24 Legislative Assessment

	Current Distribution	Proposed Distribution	Difference to DLTSA
Legislative Assessment	\$20.00	\$24.00	
State Distribution	\$8.50	\$12.50	\$4.00
Residual (state and local distribution)	\$11.50	\$11.50	\$0.00
Assume 100 Infraction Filings			
State Distribution (Initial)	\$850.00	\$1,250.00	\$400.00
Local Distribution (68% Residual)	\$782.00	\$782.00	\$0.00
State Distribution (32% Residual)	\$368.00	\$368.00	\$0.00
Total	\$2,000.00	\$2,400.00	

The table below displays ten-year traffic infraction filing data. Over this period, infraction filings statewide have steadily decreased, with filings down (cumulative) 27.3% from 2011 through 2019. Data for 2020 is incomplete (data only available through November 2020), but included here for information purposes. It is likely that the 2020 data trend (although anomalous due to the impact of COVID) will resonate in 2021 and perhaps longer.

Table II – Infraction Filings, 2011 through 2020 (to date)¹

Calendar Year	Infraction Filings	Pct Change Year to Year	Pct Change 10 Year Trend
2011	971,654	N/A	N/A
2012	872,759	-11.3%	-10.2%
2013	867,525	-0.6%	-10.7%
2014	824,729	-5.2%	-15.1%
2015	810,635	-1.7%	-16.6%
2016	715,216	-13.3%	-26.4%
2017	708,923	-0.9%	-27.0%
2018	730,036	2.9%	-24.9%
2019	706,772	-3.3%	-27.3%
2020	442,671	-59.7%	-54.4%

II.C – Expenditures

This bill would require revisions to existing Judicial Information Systems and associated revenue systems and reporting. It is estimated that revisions will require 525 hours of information technology staff time. The standard hourly rate is \$84 (salaries and benefits). Thus, the estimated cost for these revisions would be 525 x \$84 = \$44,100.

Court education would be required and infraction bench books would need to be revised. Updates to the law tables and accounting codes and business rules would be required. These impacts would be managed within existing resources.

Part III: Expenditure Detail

III.A – Expenditures by Object or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE – Staff Years					
A – Salaries & Wages	30,870		30,870		
B – Employee Benefits	13,230		13,320		
C – Prof. Service Contracts					
E – Goods and Services					
G – Travel					
J – Capital Outlays					
P – Debt Service					
Total:	44,100		44,100		

¹ Source: Caseloads of the Courts of Washington, Courts of Limited Jurisdiction. 2020 data is through November, 2020.

Individual State Agency Fiscal Note

Bill Number: 5226 E S SB AMH TR H1493.1	Title: License suspensions/traffic	Agency: 240-Department of Licensing
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2022	FY 2023	2021-23	2023-25	2025-27
Highway Safety Account-State 106-1		628,000	628,000	1,430,000	(2,651,000)
Total \$		628,000	628,000	1,430,000	(2,651,000)

In addition to the estimates above, there are additional indeterminate costs and/or savings . Please see discussion.

Estimated Operating Expenditures from:

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years	1.2	8.0	4.6	10.4	4.1
Account					
Highway Safety Account-State 106-1	591,000	782,000	1,373,000	2,085,000	940,000
Total \$	591,000	782,000	1,373,000	2,085,000	940,000

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.

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:	Phone:	Date: 04/05/2021
Agency Preparation: Don Arlow	Phone: (360) 902-3736	Date: 04/08/2021
Agency Approval: Kristin Bettridge	Phone: 360-902-3644	Date: 04/08/2021
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 04/08/2021

Part II: Narrative Explanation

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

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

This bill makes numerous changes to criteria regarding driver's license suspensions and restoration of the driving privilege. Under this proposal persons with a driver's license that has been suspended for failure to pay or appear (FTA) can restore their driving privilege. The bill requires the Department of Licensing (DOL) to provide a web portal for retroactive reinstatements, and creates two new fees to be paid into a new subaccount to support communication between DOL and the courts. An additional \$1 fee is added to standard and enhanced driver's license and identicard applications. The bill also requires DOL to recommend a safe driving course to be completed within the probation period related to a license suspension.

5226 ESSB AMH TR H1493.1 compared to ESSB 5226: The amended bill establishes a new effective date of January 1, 2023, compared to the effective date of March 1, 2022 in the previous version. This change will shift out the timing of operational and cash receipts impacts of the fiscal note. Cash receipts estimates have also been updated using the adopted March 2021 transportation revenue forecast as a base. Costs for information technology systems modifications remain the same in the 2021-23 biennium.

2.A – Brief Description Of What The Measure Does That Has Fiscal Impact

Section 1 (2)(h) amends RCW 46.63.060 to require a person to respond within 30 days to a notice of a traffic infraction, or the driving privilege may be suspended.

Section 5 amends RCW 46.20.289 to require that DOL suspend a license when related to failure to comply with the terms of a criminal complaint or criminal citation for a moving violation, failure to respond to a notice of traffic infraction, or failure to appear at a requested hearing for a moving violation.

Section 6 amends RCW 46.20.291 to allow for the suspension of driving privileges when a person has failed to appear at a hearing, or has failed to comply with the terms of a criminal complaint or criminal citation for a moving violation, as provided in RCW 46.20.289.

Section 7 adds a new section in Chapter 46.20 RCW :

(1) States that when official records of DOL show a person has committed a traffic infraction for a moving violation on 3 or more occasions within a year, or on 4 or more occasions within 2 years, DOL will suspend the license of the driver for 60 days and establish a 1 year probation period to begin when the suspension ends. Prior to reinstatement, the driver must complete a safe driving course as recommended by DOL. During the probation, the person must not be convicted of any additional traffic infractions for moving violations and must complete a safe driving course as recommended by DOL. Any new infraction or failure to complete safe driving course during probation will result in additional 30 day suspension to run consecutively with any suspension already being served.

(2) States that when person has committed a traffic infraction for a moving violation on 3 or more occasions within a year, or on 4 or more occasions within 2 years, DOL must send notice that an additional infraction will result in suspension of person's license for a period of 60 days.

(3) States that DOL may not charge a reissue fee at the end of the term of suspension under this subsection.

(4) States that for purposes of this subsection, multiple traffic infractions issued during or as the result of a single traffic stop constitutes one occasion.

Section 8 amends RCW 46.20.311 to clarify that except as provided in section 7 (3) of this act, DOL must not issue to

the person a new, duplicate, or renewal license until the person pays a reissue fee of \$75.

Section 9 amends RCW 46.20.342 allowing DOL to suspend or revoke driving privileges for failure to respond to a notice of traffic infraction for a moving violation, failure to appear at a hearing for a moving violation, or failed to comply with the terms of a criminal complaint or criminal citation for a moving violation, as provided in RCW 46.20.289.

Section 10 amends RCW 46.20.391 allows persons suspended for failure to appear or respond pursuant to RCW 46.20.289, along with existing provisions, to apply for an occupational driver's license.

Section 11 is a new section in chapter 46.20 RCW :

(1) DOL is authorized to administratively reinstate the license of a person suspended pursuant to RCW 46.20.289 (1) prior to the effective date of this section because the person :

- a) Failed to respond to a notice of traffic infraction for a moving violation ;
- b) Failed to appear at a requested hearing for a moving violation ;
- c) Violated a written promise to appear in court for a notice of infraction for a moving violation; or
- d) Failed to comply with the terms of a notice of traffic infraction.

(2) No later than 90 days after the effective date of this section, the department shall :

- a) Take reasonable steps to publicize the availability of relief to reinstate a suspended license as provided in this section; and
- b) Create an online application process for persons whose licenses are suspended and may be eligible for reinstatement as provided in this section. The online application process shall allow a person to determine whether the person is eligible to have his or her license reinstated and explain the process for reinstatement. A reissue fee as provided in RCW 46.20.311 shall apply.

(3) A reissue fee as provided in RCW 46.20.311 shall apply to any license reinstated under this section.

Section 12 amends RCW 46.64.025 to read that whenever any person fails to respond to a notice of traffic infraction for a moving violation, fails to appear at a hearing for a moving violation, or fails to comply with the terms of a criminal complaint or criminal citation for a moving violation, the court with jurisdiction over the criminal complaint or criminal citation shall promptly give notice of such fact to the DOL.

Section 13 is a new section in chapter 46.20 RCW that adds \$1 fee for applications for an original or renewal of a standard or enhanced driver's license or identicard. The \$1 fee will be deposited in the Highway Safety Account. Entire amount of fee shall be used to pay for processing costs for driver's license issuance and reinstatements, and information technology upgrades and ongoing costs to maintain the driver's license and identicard record and issuance system.

Section 15 is a new section in chapter 46.68 RCW stating that the Driver Licensing Technology Support Account is created as a subaccount in the Highway Safety Fund under RCW 46.68.060. Moneys in the subaccount may be spent only after appropriation. Expenditures from the subaccount may be used only for supporting information technology systems used by the department to communicate with the judicial information system, manage driving records, and implement court orders.

Section 16 establishes an effective date of January 1, 2023.

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 .

This bill will have an impact on cash receipts. Overall, DOL projects a revenue increase following implementation, then a revenue loss as reissue fees are collected at a lower rate. Some components of revenue may see impacts, but

cannot be determined at this time. Cash receipts impacts included in this fiscal note reflect changes in revenue collected by DOL.

This bill includes changes to monetary penalties that are collected by the court. Changes in cash receipts that are due to collection by other entities are not included in the DOL fiscal note.

Note: Tables may exhibit minor differences due to rounding.

Driver's license reissue fee

Section 11 authorizes the department to administratively reinstate the privilege for individuals suspended for an FTA that does not involve a criminal complaint. 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 January 1, 2023. 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:

- The March 2021 Transportation Revenue Forecast transactions are used to estimate the impacts of the legislation. The forecast estimates an average of 51,000 transactions per year that will be subject to the provisions of the bill.
- There are currently 105,340 individuals with FTA only suspensions that are anticipated to reinstate for the \$75 reissue fee over the next 3 years following implementation.
- 15 percent are unreachable/deceased/moved out of state, etc., leaving 85% who will reinstate, weighted towards the first several years of implementation.
- No estimates are made regarding future cash receipts due to suspension action under the provisions of the bill, since DOL cannot estimate the volumes of individuals that will be subject to suspension. Changes in cash receipts due to future suspension activity, and the associated reissue fee, will be captured in revenue forecasts when sufficient data are available to estimate the impacts.

The estimated revenue impact from this change, based on expected transaction volume :

FY 2023	\$3,000
FY 2024	\$1,225,500
FY 2025	(\$2,118,700)
FY 2026	(\$2,118,700)
FY 2027	(\$3,106,500)

Driver's license and identicard fee increase

Section 13 imposes an additional \$1 fee on driver's license and identicard applications for original documents, renewals, and enhanced documents. This fee will be deposited in the Highway Safety Account.

The estimated revenue impact from this change, based on the expected transaction volume :

FY 2023	\$625,300
FY 2024	\$1,148,200
FY 2025	\$1,174,900
FY 2026	\$1,250,100
FY 2027	\$1,324,900

Abstract driving record (ADR) sales impacts are indeterminate

The cash receipts impact of this bill on ADR sales is indeterminate. Under current law, ADRs are available to a variety of entities, including employers, volunteer organizations, and insurance companies. Insurance companies pay a driver record monitoring fee and will pay the full \$13 cost to receive an ADR if a material change has occurred on a record that they have requested. Changes that would generate an ADR sale include the posting of a traffic infraction or suspension action on a driver's record.

It is assumed that fewer ADRs will be purchased following implementation of this bill, but DOL does not know the extent to which this statutory change will impact sales. ADR sales result in annual state revenue of more than \$30 million, distributed to both the Highway Safety Account and the State Patrol Highway Account.

II. C - Expenditures

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

This bill will have an expenditure impact in several areas. There will be short-term costs to manage customer phone calls related to suspensions and license reissuance for those who are eligible to have their license suspension released, and to modify information technology systems.

This fiscal note assumes that reinstatements will be distributed over several years, weighted towards the first year of implementation. If actual reinstatement activity occurs at a more accelerated rate in the first year (latter part of FY 2023 into FY 2024), DOL will reassess resource needs and address them in a supplemental decision package.

Driver's license records

DOL will develop an application to facilitate reinstatement of driver's licenses. Driver's Records unit staff will still be required to review and modify exception records and finalize clearing the FTA suspensions as authorized under Section 11. It takes approximately 5 minutes of Customer Service Specialist 2 (CSS2) staff time to modify and update each driver record. A CSS2 has 88,320 minutes per year available for this work. DOL expects that most individuals will take action to remove FTA suspensions in FY 2023 and FY 2024. This assumption is included because some persons will have other outstanding issues, such as financial responsibility requirements following a collision, which will have to get addressed prior to reinstatement. This unit also expects an increase in forwarded call volumes to assist with driver records that include multiple suspension actions. DOL will require 0.5 CSS2 FTEs for exception processing in the first fiscal year.

Following implementation of this bill, the provisions of section 7 will require 3.0 CSS2 FTEs to review up to 16,500 individual drive records per year, at 15 minutes per review, to ascertain their status regarding continuing offenses. 0.8 CSS2 FTE is added in the first year for this activity. Current staff will continue to manage workflows for suspension and reinstatement activity that will occur under the provisions of the bill.

Hearings Unit

Currently, WAC 308-104-025 allows a driver to reach six or more traffic offenses within one year or seven or more traffic offenses within two years before they are suspended for sixty days with a year probation. These individuals are eligible for an administrative review, conducted by the DOL's Hearings Unit. Eight percent of those eligible request such a review, out of approximately 160 eligible persons per year. Section 7 directs the department to suspend the driver's license of anyone with three or more moving violations/traffic infractions within one year or four or more moving violations/traffic infractions within two years. The penalty is 60 days suspension and one year probation.

DOL data indicate that 22,160 persons per year would be eligible for an administrative review under the expanded criteria of the bill. Using the same eight percent request rate, DOL expects a net increase of about 1,600 reviews. An administrative review requires 90 minutes of Hearing Examiner 2 time, and 35 minutes of Hearings Scheduler time. The

department will need 0.6 examiner FTE in the first year, and 1.8 FTE ongoing. 0.2 scheduler FTE are needed in the first year, and 0.7 FTE ongoing.

Customer Service Center and Licensing Services Offices

One of the more typical calls to DOL customer service center relates to a driver's suspended license, and the steps necessary to restore the driving privilege. The department anticipates an increased call volume following passage of the bill. DOL estimates that 75 percent of persons suspended for FTA-related reasons will call regarding the status of their suspension, and the options for reinstatement of their driving privilege. Calls are managed by CSS2 s, who can manage an average of 20,800 calls per year. 2.0 CSS2 FTE are required in FY 2023, and 2.5 CSS2 FTE are required in FY 2024.

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). These LSO visits are assumed in the base workload, but provisions of this bill will front-load the visits after people are released from suspension at the same time. Based on current practice, it is assumed that 72% will use a licensing office to complete the transaction, with the remainder using the online option developed for this bill. DOL will add 1.6 Licensing Services Representative 2 (LSR2) positions in the first year of implementation to manage this workflow, reduced to an average of 1.4 FTE in the 2023-25 biennium.

After full implementation, 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 a reduction of 1.5 FTE LSR 2 positions in the FY 2025-27 biennium.

The bill will also require updates to the department's web page, driver guides, and manuals. This work is considered routine and typical, and will not require additional resources.

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

Information Services

This bill will require modifications of the department'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 the department will implement:

1. Modify RCW to violation data based on which RCWs will require suspension (criminal vs non-criminal).
2. Modify DWLS3 logic and screens based on table updates for DWLS3 and not suspending for noncriminal moving violations, includes modifying the system for Continuing Offenses and FTA stream to accommodate the criteria changes for the number of offenses within a 12 and 24 month period.
3. Create new status for types of reinstatement.
4. New online service for FTAs allowing users to apply for reinstatement that also provides information regarding

what is needed to reinstate, and allow payment of the \$75 reissue fee.

5. Create a new manual review task for customers that cannot renew when going online.
6. One time database pass to mark FTAs that qualify based on criteria and determine time period for qualifying customers for list of current FTAs that are eligible to reinstate.
7. Modify pricing logic to not impose the reissue fee under certain circumstances.
8. Modify reinstatement letter to include changes in non-suspensions.
9. Modify the warning letter for continuing offenses to accommodate new criteria.
10. Create a letter to use for manual administrative reinstatement.
11. New fee for all issuance transactions to charge a \$1 for original or renewals to go to the State Treasurer's Office Highway Safety Fund.
12. Modify system to allow information for customer safe driving course completion. Create system indicator for completion or non-completion of safe driving school. Add the requirements to the suspensions to account for safe driving school completion, make screen changes.
13. Make the citations time data field required for Driver Information and Adjudication Services (DIAS), Seattle Municipal Courts, and others sending convictions to DOL, this includes DOL user manually entered citations.
14. Create a new manual review task to review citations which do not include date /time, review the continuing offense stream include AAMVA out of state convictions.
15. Create a new manual review task for a violation of continuing offenses related to the Habitual Traffic Offender (HTO) stream.
16. Create a process to review existing work items for citations that do not include the time data in the citations.
17. Code change to accept/use the time data field for citations from Seattle Municipal Courts.
18. Changes to DIAS to include the citations time field, and AAMVA changes to determine the missing citations time field.

Support Services

Section 7 of the bill requires that when a person has committed a traffic infraction for a moving violation on two occasions within a one-year period or three occasions within a two-year period, the department must send the person a notice that an additional infraction will result in suspension of the person's license for a period of 60 days. Expenditures for mailing 88,000 letters per year are included. DOL typically experiences a 7% return rate on mailed letters. This fiscal note includes 0.3 CSS2 FTE to manage the expected volume.

Agency Administrative Overhead is included at a rate of 26 percent of the direct program costs. This 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 III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2022	FY 2023	2021-23	2023-25	2025-27
106-1	Highway Safety Account	State	591,000	782,000	1,373,000	2,085,000	940,000
Total \$			591,000	782,000	1,373,000	2,085,000	940,000

III. B - Expenditures by Object Or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years	1.2	8.0	4.6	10.4	4.1
A-Salaries and Wages	74,000	423,000	497,000	1,168,000	507,000
B-Employee Benefits	29,000	184,000	213,000	492,000	204,000
C-Professional Service Contracts					
E-Goods and Other Services	487,000	174,000	661,000	423,000	229,000
G-Travel					
J-Capital Outlays	1,000	1,000	2,000	2,000	
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	591,000	782,000	1,373,000	2,085,000	940,000

III. C - Operating FTE 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 2022	FY 2023	2021-23	2023-25	2025-27
Customer Service Specialist 2	45,504		4.3	2.2	4.9	2.3
Fiscal Analyst 2	54,108	0.8	0.9	0.9	1.2	0.6
Hearings Examiner 2	84,396		0.6	0.3	1.8	1.8
Hearings Scheduler	43,392		0.2	0.1	0.7	0.7
IT Customer Supprt-Journey	83,892	0.4	0.4	0.4	0.5	0.3
Licensing Services Representative 2	55,524		1.6	0.8	1.4	(1.5)
Total FTEs		1.2	8.0	4.6	10.4	4.1

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

IV. D - Capital FTE Detail: *List FTEs by classification and corresponding annual compensation . Totals need to agree with total FTEs in Part IVB*

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 .

To address the provisions of section 7 related to continuing offenses, DOL will rescind the substantive parts of WAC

308-104-025 regarding the number of convictions resulting in a suspension and probation.

Attachment 1

5226 ESSB AMH TR H1493.1

Cost Category	Description	Rate	2022	2023	Total Cost
TESTER	Test to verify individual components meet requirements; ensure that other business transactions have not been impacted.	\$ 22,620	61,100	-	61,100
BUSINESS ANALYST	Determine business requirements; translate requirements into what changes are needed to various systems including account codes, inventory codes, testing considerations, etc.	\$ 16,530	13,200	-	13,200
PROJECT MANAGER	Manage schedule and contracts	\$ 28,710	17,200	-	17,200
QUALITY ASSURANCE	Plan and carry out activities to assure project deliverables; e.g. preventative defect activities, align quality measures and business objectives.	\$ 37,410	86,000	-	86,000
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.	\$ 16,530	6,600	-	6,600
DEVELOPERS	Modify programming and coding to all major systems	\$ 19,140	1,900	-	1,900
CONTRACTED FAST DEVELOPER / TESTER	Updates to the DRIVES system will require additional vendor hours outside of the contracted maintenance to make system updates to implement this bill.	\$ 34,800	97,400	-	97,400
Trainer		\$ 22,620	18,100		18,100
Organizational Change Management		\$ 37,410	86,000		86,000
Project Contingency	Office of the Chief Information Officer designated rate of 10%	\$ 22,620	38,800	-	38,800
Totals			426,300	-	426,300

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5226 E S SB AMH TR H1493.1	Title: License suspensions/traffic
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

Cities: Decrease in revenue from traffic infractions

Counties: Same as above

Special Districts: Same as above

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: Amount by which payments for traffic infractions will decrease under the legislation

Estimated revenue impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated expenditure impacts to:

None

Part III: Preparation and Approval

Fiscal Note Analyst: Alice Zillah	Phone: 360-725-5035	Date: 04/09/2021
Leg. Committee Contact:	Phone:	Date: 04/05/2021
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 04/09/2021
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 04/09/2021

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 amended version of the bill moves the effective date back by 10 months , from March 1, 2022, to January 1, 2023, but does not change the indeterminate nature of impacts discussed below .

SUMMARY OF CURRENT BILL:

Section 1 amends RCW 46.63.060. A traffic infraction no longer needs to include information that the penalty may include sanctions against a person's driver's license including suspension , revocation, or denial. The bill would add an option to allow a person to admit responsibility for an infraction and attest that the person must receive information on how to obtain a payment plan from the court , and that failure to pay may result in collection action. The bill would remove suspension of driver's license as a penalty .

Section 3 amends RCW 46.63.110 to provide that the court may waive or remit any monetary penalty , fee, cost, assessment, or other monetary obligation associated with a traffic infraction unless the specific monetary obligation in question is prohibited from being waived or remitted by state law; major changes to payment plan notification & requirements . The amount and distribution of the fee assessment would be modified. Section 3(8)(a) amends RCW 46.63.110 to increase the Legislative Assessment by \$4 .

Section 14(7) amends RCW 2.68.040 to add an additional \$2 assessment to traffic infractions .

Section 16 establishes an effective date of January 1 , 2023 for the legislation.

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 governments . According to the Washington Association of Sheriffs and Police Chiefs (WASPC), the majority of law enforcement agencies utilize SECTOR , a program of the Washington State Patrol, for management of their traffic tickets. WASPC assumes updates to the information provided on traffic infractions would be done through SECTOR .

BACKGROUND:

SECTOR is a program that automates the collision and traffic ticket reporting process for a law enforcement officer . The program is installed on a laptop or mobile computer and either transmits immediately through wireless connection or later at the office . Tickets are transmitted to the Administrative Office of the Courts (AOC); after local review, collision reports are transmitted to the Department of Transportation (DOT) and the Department of Licensing (DOL). The ticket and collision data are transmitted to the Back Office server at the Washington State Patrol (WSP) then forwarded to AOC, DOT, and DOL via the Justice Information Data Exchange (JINDEX), an integration platform maintained by the Washington State Department of Enterprise Services (DES). The SECTOR program is provided to a local law enforcement agency (LLEA) at no cost; however, the LLEA must provide the laptop/mobile computer , barcode scanner, printer, and network connection.

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 result in an indeterminate decrease in revenue for local governments .

Section 3 would allow a court to waive or remit any monetary penalty , fee, cost, assessment, or other monetary obligation associated with a traffic infraction unless it is prohibited from being waived or remitted by state law . In 2019, revenue that cities, counties, and special districts collected from traffic infractions totaled over \$64 million , according to data collated by the State Auditor's Office . It is not possible to predict how much this amount would decline as a result of courts having the ability to waive the fees .

Further discussion of revenue impacts can be found in the fiscal note of the Administrative Office of the Courts .

SOURCES:

Washington State Association of Sheriffs and Police Chiefs
Administrative Office of the Courts

