

# Individual State Agency Fiscal Note

Revised

<b>Bill Number:</b> 5041 SB	<b>Title:</b> Motor carrier safety	<b>Agency:</b> 240-Department of Licensing
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## Part I: Estimates

No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Highway Safety Account-State 106-1		(21,000)	(21,000)	(64,000)	(64,000)
<b>Total \$</b>		(21,000)	(21,000)	(64,000)	(64,000)

### Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	(0.3)	(0.2)	(0.3)	(0.3)
<b>Account</b>					
Highway Safety Account-State 106-1	1,077,000	(24,000)	1,053,000	(48,000)	(48,000)
<b>Total \$</b>	1,077,000	(24,000)	1,053,000	(48,000)	(48,000)

### 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: Bryon Moore	Phone: (360)786-7726	Date: 01/10/2023
Agency Preparation: Don Arlow	Phone: (360) 902-3736	Date: 01/11/2023
Agency Approval: Gerrit Eades	Phone: (360)902-3863	Date: 01/11/2023
OFM Review: Kyle Sieferring	Phone: (360) 995-3825	Date: 01/11/2023

## Part II: Narrative Explanation

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

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

Please see attached fiscal note.

### II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Please see attached fiscal note.

### II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Please see attached fiscal note.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
106-1	Highway Safety Account	State	1,077,000	(24,000)	1,053,000	(48,000)	(48,000)
<b>Total \$</b>			1,077,000	(24,000)	1,053,000	(48,000)	(48,000)

### III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		(0.3)	(0.2)	(0.3)	(0.3)
A-Salaries and Wages		(14,000)	(14,000)	(28,000)	(28,000)
B-Employee Benefits		(7,000)	(7,000)	(14,000)	(14,000)
C-Professional Service Contracts					
E-Goods and Other Services	1,077,000	(3,000)	1,074,000	(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					
9-					
<b>Total \$</b>	1,077,000	(24,000)	1,053,000	(48,000)	(48,000)

### 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 2024	FY 2025	2023-25	2025-27	2027-29
Customer Service Specialist 2	46,980		(0.3)	(0.2)	(0.3)	(0.3)
<b>Total FTEs</b>			(0.3)	(0.2)	(0.3)	(0.3)

**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**

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

NONE

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

NONE

**Part V: New Rule Making Required**

*Provisions of the bill 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: SB 5041

Bill Title: Motor carrier safety

**Part 1: Estimates**

No Fiscal Impact

**Estimated Cash Receipts:**

Revenue	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Highway Safety	106	-	(21,000)	(21,000)	(64,000)	(64,000)
<b>Account Totals</b>		-	<b>(21,000)</b>	<b>(21,000)</b>	<b>(64,000)</b>	<b>(64,000)</b>

**Estimated Expenditures:**

	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
FTE Staff Years	-	(0.3)	(0.2)	(0.3)	(0.3)

Operating Expenditures	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Highway Safety	106	1,077,000	(24,000)	1,053,000	(48,000)	(48,000)
<b>Account Totals</b>		<b>1,077,000</b>	<b>(24,000)</b>	<b>1,053,000</b>	<b>(48,000)</b>	<b>(48,000)</b>

*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.*

Check applicable boxes and follow corresponding instructions.

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

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Agency Preparation: Don Arlow	Phone: (360) 902-3736	Date: 1/11/2023
Agency Approval: Gerrit Eades	Phone: (360) 902-3931	Date:

Request #	2
Bill #	5041 SB

## Part 2 – Explanation

This bill modifies current statute to add the Federal Motor Carrier Safety Administration’s (FMCSA) drug and alcohol clearinghouse as a method of receiving drug and alcohol violations committed by commercial driver license (CDL) holders.

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

Section 1 amends RCW 46.25.010(25) to remove the definition for “verified positive drug test”.

Section 2 amends RCW 46.25.052(1) to prohibit the Department of Licensing (DOL) from issuing a commercial learner’s permit (CLP) to an individual if they cannot operate a commercial motor vehicle (CMV) because of a drug or alcohol violation in FMCSA’s clearinghouse.

Section 3 amends RCW 46.25.060(1) to prohibit DOL from issuing a CDL to an individual if they cannot operate a CMV because of a drug or alcohol violation in FMCSA’s clearinghouse.

Section 4 amends RCW 46.25.088 to prohibit DOL from renewing a CDL for an individual if they cannot operate a CMV because of a drug or alcohol violation in FMCSA’s clearinghouse.

Section 5 amends RCW 46.25.100(1) to remove the disqualification process under RCW. 46.25.090(7). and associated fees.

Section 6 amends RCW 46.25.090(7) to strike the subsection in its entirety around previous state procedures for disqualification due to positive drug or alcohol violation.

Section 7 adds new section to Chapter 46.25 RCW that establishes new procedures for downgrading a CLP or CDL upon a drug or alcohol violation as provided by 49 C.F.R. §382.

Section 8 amends RCW 46.25.120 to strike subsections (7) and (8) in their entirety around previous state procedures for testing and hearing provisions.

Section 9 amends RCW 46.25.324(1) to remove RCW.46.25.125 from the administrative review and hearing process.

Section 10 repeals RCW 46.25.123 (mandatory reporting of positive test) and RCW 46.25.125 (disqualification for positive test-procedure).

Section 11 establishes an effective date of November 18, 2024.

### **2.B - Cash receipts Impact**

Revenue	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Highway Safety	106	-	(21,000)	(21,000)	(64,000)	(64,000)
	<b>Account Totals</b>	-	<b>(21,000)</b>	<b>(21,000)</b>	<b>(64,000)</b>	<b>(64,000)</b>

This bill will have an impact on cash receipts. The proposed bill eliminates the \$150 CDL requalification fee in RCW 46.25.100. When DOL receives notification that a CLP or CDL holder is

no longer prohibited from operating a commercial motor vehicle under provisions of the proposed bill, DOL removes the downgrade or pending downgrade.

There is no reapplication or requalification fee. DOL will change the status between “licensed” and “downgraded” based exclusively on the data from the federal medical clearinghouse. There is no state procedure a person will have to complete – it will be automated.

**Assumptions:**

- The bill is effective November 18, 2024.
- DOL estimates that 210 persons per year would be subject to the \$150 fee.
- The revenue impact analysis is based on the June 2022 forecast and FY 2024 reflects a partial year (8 months) impact.

**2.C – Expenditures**

DOL will develop an interface with the new federal Drug & Alcohol Clearinghouse and will require modifications to the department’s information technology systems. Expenditures include both one-time costs for initial systems modifications and development, and ongoing costs for systems maintenance. Implementation will result in a minor reduction to current driver records workload.

**Workforce assumptions**

Staff in DOL’s Driver and Vehicle Records unit process actions that would be subject to transmission through the new interface. Although workload has become variable during the COVID pandemic, actions related to positive test refusals, compliance, forms requiring clarification, and interaction with substance abuse professionals require 0.3 Customer Service Specialist 2 per year. It is assumed that this workflow will no longer be necessary following implementation of the interface.

Implementation of the associated bill will result in up to 45 fewer administrative reviews per year. These reviews are conducted by DOL Hearings Examiner staff. The reduction in workload represents a change of less than 0.1 FTE and is not considered material for this package.

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).

**Information Services:**

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 analysts that document and review the system changes, architect services that analyze 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.

DOL will complete the following:

- New interface with Drug and Alcohol Clearinghouse, including site configuration to interface with the new system.
- Structured and casual testing.
- Regression testing.
- Security assessment for new interface.

Cost Category	Description	Rate	2024	2025	2026	2027	2028	2029	Total Cost
TESTER	Test to verify individual components meet requirements; ensure that other business transactions have not been impacted.	\$ 22,620	149,300	-	-	-	-	-	149,300
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	24,800	-	-	-	-	-	24,800
PROJECT MANAGER	Manage schedule and contracts	\$ 28,710	31,600	-	-	-	-	-	31,600
QUALITY ASSURANCE	Plan and carry out activities to assure project deliverables; e.g. preventative defect activities, align quality measures and business objectives.	\$ 37,410	164,600	-	-	-	-	-	164,600
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	13,200	-	-	-	-	-	13,200
SERVER & NETWORK SUPPORT	Services such as network infrastructure, cloud infrastructure, firewall and load balancing. Installations, maintenance, troubleshooting of server systems, and management of Windows-based systems to ensure reliability for clients.	\$ 16,530	-	1,700	1,700	1,700	1,700	1,700	8,500
DEVELOPERS	Modify programming and coding to all major systems	\$ 19,140	-	3,800	3,800	3,800	3,800	3,800	19,000
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	194,900	-	-	-	-	-	194,900
Trainer	Trains business partners and employees in new system processes and capabilities.	\$ 22,620	33,900	-	-	-	-	-	33,900
Organizational Change Management	Prepares stakeholders for the change and develops strategies to ensure the changes are fully adopted.	\$ 37,410	164,600	-	-	-	-	-	164,600
Project Contingency	Office of the Chief Information Officer designated rate of 10%	\$ 25,230	77,700	600	600	600	600	600	80,700
<b>Totals</b>			<b>854,600</b>	<b>6,100</b>	<b>6,100</b>	<b>6,100</b>	<b>6,100</b>	<b>6,100</b>	<b>885,100</b>

**Support Services:**

Agency Administrative Overhead is included at a rate of 23.4 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 3 – Expenditure Detail**

**3.A – Operating Budget Expenditures**

Operating Expenditures	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Highway Safety	106	1,077,000	(24,000)	1,053,000	(48,000)	(48,000)
<b>Account Totals</b>		<b>1,077,000</b>	<b>(24,000)</b>	<b>1,053,000</b>	<b>(48,000)</b>	<b>(48,000)</b>

**3.B – Expenditures by Object or Purpose**

Object of Expenditure	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
FTE Staff Years	0.0	(0.3)	(0.2)	(0.3)	(0.3)
Salaries and Wages	-	(14,000)	(14,000)	(28,000)	(28,000)
Employee Benefits	-	(7,000)	(7,000)	(14,000)	(14,000)
Goods and Services	1,077,000	(3,000)	1,074,000	(6,000)	(6,000)
<b>Total By Object Type</b>	<b>1,077,000</b>	<b>(24,000)</b>	<b>1,053,000</b>	<b>(48,000)</b>	<b>(48,000)</b>

**3.C – FTE Detail**

Staffing	Salary	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Customer Service Specialist 2	46,980	0.0	-0.3	-0.2	-0.3	-0.3
<b>Total FTE</b>		<b>0.0</b>	<b>-0.3</b>	<b>-0.2</b>	<b>-0.3</b>	<b>-0.3</b>
<i>Totals may differ due to rounding.</i>						

**Part 4 – Capital Budget Impact**

None.

**Part 5 – New Rule Making Required**

None.