

Multiple Agency Fiscal Note Summary

Bill Number: 1486 HB	Title: Military Surplus Vehicles on Public Highways
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Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Department of Licensing	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total \$	0	0	0	0	0	0	0	0	0

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Licensing	.0	0	0	40,000	.0	0	0	0	.0	0	0	0
Total \$	0.0	0	0	40,000	0.0	0	0	0	0.0	0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
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

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Kyle Siefering, OFM	Phone: (360) 995-3825	Date Published: Final
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Individual State Agency Fiscal Note

Bill Number: 1486 HB	Title: Military Surplus Vehicles on Public Highways	Agency: 240-Department of Licensing
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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.
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Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
Account					
Highway Safety Account-State 106 -1	40,000	0	40,000	0	0
Total \$	40,000	0	40,000	0	0

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: 01/19/2023
Agency Preparation: Don Arlow	Phone: (360) 902-3736	Date: 01/23/2023
Agency Approval: Gerrit Eades	Phone: (360)902-3863	Date: 01/23/2023
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 01/25/2023

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.

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.

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.

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	40,000	0	40,000	0	0
Total \$			40,000	0	40,000	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services	40,000		40,000		
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-					
Total \$	40,000	0	40,000	0	0

III. C - Operating FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.

NONE

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: HB 1486

Bill Title: Military surplus vehicles on public highways

Part 1: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts:

INDETERMINATE; PLEASE SEE NARRATIVE

Estimated Expenditures:

		FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
FTE Staff Years		-	-	-	-	-

Operating Expenditures	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Highway Safety	106	40,000	-	40,000	-	-
Account Totals		40,000	-	40,000	-	-

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.

Check applicable boxes and follow corresponding instructions.

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

Legislative Contact: Linda Hamilton	Phone: (360) 515-8620	Date: 1/19/2023
Agency Preparation: Don Arlow	Phone: (360) 902-3736	Date: 1/23/2023
Agency Approval: Gerrit Eades	Phone: (360) 902-3931	Date:

Request #	1
Bill #	1486 HB

Part 2 – Explanation

This bill adds “military surplus vehicles” as a sub-class of collector vehicles that may receive collector plates. Applicants for a title for a military surplus vehicle must submit a certification that their vehicle will only be used in limited circumstances and provide a safety inspection certificate completed by a license motor vehicle repair shop on a form created by the Department of Licensing (DOL).

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

Section 2 is a new section in RCW 46.04 (Definitions) that adds the definition for “military surplus vehicle”.

Section 3 amends RCW 46.04.123 (Collectible vehicle) to add “military surplus vehicles” to the definition of “Collectible vehicle”.

Section 4 amends RCW 46.04.126 (Collector Vehicle) to add “military surplus vehicle” to the definition of “Collector vehicle”.

Section 5 is a new section in RCW 46.12 (Certificates of Title):

- Requires applicants for a title for a military surplus vehicle to submit a certification that the vehicle will be limited to certain uses, will only be driven with insurance coverage under RCW 46.29.090, and will not be used for general daily transportation.
- Applicants must also provide a certificate of safety inspection on a DOL-created form to be completed by a license motor vehicle repair shop, certifying that the equipment on the vehicle has original safety equipment in good operating condition, or replacement equipment that is equally or more effective.
- Persons who make false statements regarding the inspection are guilty of false swearing per RCW 9A.72.040.

Section 6 amends RCW 46.18.220 (Collector vehicle license plates):

- Includes military surplus vehicles as being able to receive collector plates.
- Amends lists of use for collector vehicles to include veteran’s events.
- Disallows military surplus vehicles from license plate transfers otherwise allowed for collector vehicles.
- Corrects a fee reference.

Section 7 amends RCW 46.37.010 (Scope and effect of regulations—General penalty) to exclude military surplus vehicles that have a collector plate from some equipment requirements.

Section 8 establishes an effective date of January 1, 2024.

2.B - Cash receipts Impact

The cash receipts impact for this bill is indeterminate. It is not known how many military surplus vehicles might qualify to be registered because of this proposed legislation. These vehicles must meet on-road requirements to be registered for on-road use. Per section 5, these vehicles must still meet on-road requirements to be registered as a collector military surplus vehicle. It is assumed that there will be

more vehicles that would be registered if this legislation is enacted, but it is not known how many new registrations may result.

2.C – Expenditures

Section 5 instructs DOL to create a new safety inspection form, which can be produced within existing resources.

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 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.

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	9,000	-	-	-	-	-	9,000
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	3,300	-	-	-	-	-	3,300
PROJECT MANAGER	Manage schedule and contracts	\$ 28,710	2,900	-	-	-	-	-	2,900
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	1,700	-	-	-	-	-	1,700
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.	\$ 37,236	14,900	-	-	-	-	-	14,900
Trainer	Trains business partners and employees in new system processes and capabilities.	\$ 22,620	4,500	-	-	-	-	-	4,500
Project Contingency	Office of the Chief Information Officer designated rate of 10%	\$ 25,474	3,600	-	-	-	-	-	3,600
Totals			39,900	-	-	-	-	-	39,900

What DOL will implement:

1. New use type for military collector vehicle, includes logic change to allow military collector vehicles to display collector vehicle license plate.
2. New logic to restrict transferring a collector vehicle plate from being transferred to a different vehicle if on a military collector vehicle.
3. New report for vehicles with new use type for military collector vehicles.
4. Update existing reports to include new military collector vehicle use class.

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	40,000	-	40,000	-	-
Account Totals		40,000	-	40,000	-	-

3.B – Expenditures by Object or Purpose

Object of Expenditure	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Goods and Services	40,000	-	40,000	-	-
Total By Object Type	40,000	-	40,000	-	-

3.C – FTE Detail

None.

Part 4 – Capital Budget Impact

None.

Part 5 – New Rule Making Required

None.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 1486 HB

Title: Military Surplus Vehicles on Public Highways

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

Legislation Impacts:

- ☐ Cities:
- ☒ Counties: indeterminate revenue impact on counties from the license plate fees
- ☐ 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: How many military surplus vehicles there are that would apply collectible vehicle status

Estimated revenue impacts to:

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

Estimated expenditure impacts to:

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

Part III: Preparation and Approval

Fiscal Note Analyst: Tammi Alexander	Phone: 360-725-5038	Date: 01/22/2023
Leg. Committee Contact:	Phone:	Date: 01/19/2023
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 01/22/2023
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 01/25/2023

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

This bill will allow for the registration of Military Surplus Vehicles (MSVs) as collector and collectible vehicles. Section 1 includes the intent of the bill.

Section 2 states that MSV means a vehicle that is not operated using continuous tracks, was originally manufactured and sold directly to the armed forces of the United States (US), was originally manufactured under the federally mandated requirements set forth in 49 C.F.R. Sec. 571.7, and is no longer owned by US armed forces.

Section 3 amends RCW 46.04.123 to include MSV under the collectible vehicle definition.

Section 4 amends RCW 46.04.126 to include MSV under the collector vehicle definition.

Section 5 creates new section in chapter 46.12 RCW that states the requirements for the vehicle owner when registering/operating a military surplus vehicle

Section 6 amends RCW 46.18.220 to include MSV, veterans' events and exempt MSVs from subsection 5, regarding transferring of plates.

Section 7 amends RCW 46.37.010 to exempt military surplus vehicle from "vehicle lighting and other equipment" requirements.

Section 8 establishes the effective date of this bill of January 1, 2024.

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

This legislation would have an indeterminate expenditure impact on local governments to implement this bill, likely minor.

County Auditors will have additional work load to process applications and may cause some additional work for police departments for enforcement purposes, but this is expected to be minimal.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

This legislation would have an indeterminate revenue impact on counties from the license plate fees.

It is assumed that there would be more vehicles registered under this bill, however it's not clear how many military surplus vehicles would register for collectible vehicle status. Therefore, these fees cannot be estimated.

SOURCES:

Douglas County Auditor's Office

Spokane County Auditor's Office

Local Government fiscal note, HB 1439 (2021)

WA Association of Sheriffs and Police Chiefs