

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5560 SB	<b>Title:</b> Older driver safety	<b>Agency:</b> 240-Department of Licensing
-----------------------------	-----------------------------------	--

## Part I: Estimates

No Fiscal Impact

### Estimated Cash Receipts to:

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

### Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	3.0	4.0	3.5	6.5	8.0
<b>Account</b>					
Highway Safety Account-State 106 -1	1,645,000	658,000	2,303,000	1,599,000	1,968,000
<b>Total \$</b>	1,645,000	658,000	2,303,000	1,599,000	1,968,000

### 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: 01/24/2023
Agency Preparation: Don Arlow	Phone: (360) 902-3736	Date: 01/31/2023
Agency Approval: Gerrit Eades	Phone: (360)902-3863	Date: 01/31/2023
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 01/31/2023

## 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	1,645,000	658,000	2,303,000	1,599,000	1,968,000
<b>Total \$</b>			1,645,000	658,000	2,303,000	1,599,000	1,968,000

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	3.0	4.0	3.5	6.5	8.0
A-Salaries and Wages	277,000	369,000	646,000	771,000	950,000
B-Employee Benefits	92,000	122,000	214,000	320,000	394,000
C-Professional Service Contracts					
E-Goods and Other Services	1,262,000	167,000	1,429,000	508,000	624,000
G-Travel					
J-Capital Outlays	14,000		14,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total \$</b>	1,645,000	658,000	2,303,000	1,599,000	1,968,000

**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				3.3	4.0
IT Project Management - Senior/Specialist	115,824	1.0	1.0	1.0		
Management Analyst 5	91,524	1.0	2.0	1.5		
Paralegal 1	64,788				0.8	1.0
Program Specialist 3	69,756	1.0	1.0	1.0	1.8	2.0
Program Specialist 5	82,896				0.8	1.0
<b>Total FTEs</b>		3.0	4.0	3.5	6.5	8.0

**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.*

See attached fiscal note

# Individual State Agency Fiscal Note

Agency 240 – Department of Licensing

Bill Number: SB 5560

Bill Title: Older driver safety

**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	3.0	4.0	3.5	6.7	8.0

Operating Expenditures	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Highway Safety	106	1,645,000	658,000	2,303,000	1,599,000	1,968,000
<b>Account Totals</b>		<b>1,645,000</b>	<b>658,000</b>	<b>2,303,000</b>	<b>1,599,000</b>	<b>1,968,000</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.

- 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: Bryon Moore	Phone: (360) 786-7726	Date: 1/25/2023
Agency Preparation: Don Arlow	Phone: (360) 902-3736	Date: 1/30/2023
Agency Approval: Gerrit Eades	Phone: (360) 902-3931	Date:

Request #	2
Bill #	5560 SB

## **Part 2 – Explanation**

This bill proposes new requirements for older drivers and requires the Department of Licensing (DOL) to:

- Develop a plan aimed at improving older driver safety by January 1, 2024.
- Implement phase 1 of the plan through the adoption of rules by January 1, 2025 aimed at improving older driver safety which may include voluntary surrender in exchange for no cost identocard.
- Implement phase 2 of the plan through adoption of rules by January 1, 2026 which may include issuance of an older driver license after meeting requirements to successfully complete an older driver knowledge and skills refresher course, time and place restrictions for older driver DL, driver monitoring for older drivers, and the development of an assessment of competency for older drivers.

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

Section 1 is a new section added to Chapter 46.20 RCW. Provisions include:

- (1) By January 1, 2024, the department, in consultation with relevant groups and agencies, will develop a plan aimed at improving older driver safety, which shall include (a) draft rules, (b) implementation schedule, (c) recommended statutory changes required to implement plan, and (d) detailed info on how plan improves safety associated with older drivers, while preserving the maximum level of older driver independence and privacy
- (2) By January 1, 2025, the department must adopt rules implementing phase one of plan to improve driver safety which may include (a) the option for an older driver to voluntarily surrender their driver’s license before the expiration date and receive a no cost identocard; and (b) Reduce the length of time by which the driver’s license of an older driver expires.
- (3) By January 1, 2026, the department must adopt rules implementing phase two of plan designed to improve older driver safety which may include (a) requiring as a condition of initial issuance or renewal of a driver’s license of an older driver that they successfully complete an older driver knowledge and skills refresher course that emphasizes the unique issues faced by older drivers, (b) Imposes additional restrictions or conditions on high-risk older drivers that may include time and place driving restrictions, and requirements for the installation and use of driver monitoring technology in the vehicle while operated by the older driver; and (c) develop an assessment of competency to determine a driver’s potential risk to themselves or others when operating a motor vehicle so the department may make informed decisions on appropriate courses of action within the older driver program.

Section 2 is a new section added to Chapter 46.04 RCW defining “Older driver” to mean a driver receiving an initial issuance of a driver’s license or renewing the driver’s license after the age of 70.

Section 3 is a new section added to Chapter 46.04 RCW defining “Older driver knowledge and skills refresher course” to mean a course of instruction in traffic safety education intended for older drivers that is approved by the department consisting of classroom instruction, online, or behind-the-wheel instruction that follows the approved curriculum as determined by rule. The department may contract with one or more providers to deliver the older driver knowledge and skills refresher course and must ensure that the courses are reasonably available to people throughout the state, including overburdened communities.

Section 4 is a new section added to Chapter 46.04 RCW defining “High-risk older driver” means a driver over the age of 70 and as determined based on any combination of age and the number of traffic infractions, moving violations, or collisions combined with the results of assessments by department staff or medical professionals to warrant the imposition of driving restrictions and conditions as specified in rules adopted by the department.

Section 5 amends RCW 46.20.181 to allow for an exception to the 8-year renewal period for older driver’s driver licenses, for initial driver’s license issuances or renewals after January 1, 2025.

Section 6 amends RCW 46.20.117 to state that beginning January 1, 2025, an older driver who voluntarily surrenders the driver’s license before its expiration date under rules adopted by the department may receive a no cost identicaid.

Section 7 is a new section added to Chapter 46.20 stating that beginning January 1, 2026, the department may require, as a condition of initial issuance or renewal of a driver's license, an older driver to successfully complete an older driver knowledge and skills refresher course that emphasizes the unique issues faced by older drivers, subject to rules adopted by the department.

Section 8 amends RCW 46.20.041 to state that beginning January 1, 2026:

- Before imposing restrictions on high-risk older drivers, the department must permit the person to personally demonstrate that a high-risk older driver is able to safely drive a motor vehicle.
- The department may require the person to obtain a statement signed by a licensed physician or other proper authority designated by the department certifying the person’s condition.
- A statement obtained under this section is for the confidential use of the director and the chief of the Washington State Patrol and for other public officials designated by law. It is exempt from public inspection and copying notwithstanding chapter 42.56 RCW and may not be offered as evidence in any court except when appeal is taken from the order of the director.

Section 9 is a new section added to Chapter 42.56 RCW to state that a statement obtained under RCW 46.20.041(6)(b) is for the confidential use of the director of the Department of Licensing and the chief of the Washington State Patrol and for other public officials designated by law. It is exempt from public inspection and copying and may not be offered as evidence in any court except when appeal is taken from the order of the director of the Department of Licensing.

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

Cash receipts are indeterminate. Section 5 will provide an option for variable driver’s license expiration for older driver’s driver licenses, for initial driver’s license issuances or renewals after January 1, 2025. The department does not know how many older drivers may be subject to this provision, but cash receipts impacts are not expected to be significant.

Section 6 of the bill provides that older drivers who voluntarily surrender their license before its expiration date may receive a free identicaid effective January 1, 2025. It is assumed that older drivers would be individuals with a driver license over 70 years if age. As of FY 2022, there were 839,100 licensed drivers ages 70 and over, approximately 14 percent of the total licensed drivers in Washington State. However, it is not known how many licensed drivers ages 70 and over might voluntarily surrender their license before its expiration date and receive a free identicaid. The fee for a standard identicaid is \$54 for six years.

## **2.C – Expenditures**

DOL does not have a dedicated older driver program. Implementation of this bill will require resources to develop the program, write rules, and manage processes specific to older drivers. DOL will add a matrix of expected resource requirements of various duration. The department may modify the mix of resource needs as rules development and implementation planning progress, and program needs specific to the older driver cohort are identified.

### **Project coordination and management FY 2023-25, one-time costs**

The following positions are included in the FY 2023-25 biennium and are one-time expenditures.

- One Project Manager will assume overall coordination duties for implementation planning and development.
- One Management Analyst 5 position will serve a coordinating role to support the rulemaking process and begin implementation planning.
- One Management Analyst 5 will support organizational change management requirements.

### **Operations impacts 2023-25 and ongoing**

The following position is included in the FY 2023-25 biennium and will be an ongoing expenditure.

- One Program Specialist 3 position will provide initial and ongoing support to the older driver program. This position will be responsible for creating an older driver curriculum, modifying existing curriculum to reflect new licensing requirements, and provide ongoing support.

### **Operations impacts FY 2025-27 and ongoing**

The following positions are included in the FY 2025-27 biennium and are ongoing expenditures. The final need for resources to manage workload following implementation is subject to change pending the adoption of final rules. The estimates below are included to indicate the expected requirements.

- Two Customer Service Specialist 2s (CSS2s) is included for the Driver and Vehicle Records unit to assist with driver records management, including updating or modifying driver records related medical waivers.
- The department expects increased call volumes to resolve questions regarding older driver provisions. One CSS2 position is included.
- One Paralegal 1 position and one CSS2 are included to manage an expected increase in proceedings as older drivers may contest provisions of the program's implementation.

### **Information Services:**

**Note:** DOL costs to provide a connection with contracted driver monitoring services are included in this portion of the fiscal note. The department will issue a request for proposal (RFP) to secure a vendor the actual service. Vendor costs will not be known until successful completion of the RFP process; no estimates for that service are included in the fiscal note.

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	178,700	-	-	-	-	-	178,700
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	34,700	-	-	-	-	-	34,700
PROJECT MANAGER	Manage schedule and contracts	\$ 28,710	45,900	-	-	-	-	-	45,900
QUALITY ASSURANCE	Plan and carry out activities to assure project deliverables; e.g. preventative defect activities, align quality measures and business objectives.	\$ 37,410	205,800	-	-	-	-	-	205,800
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	18,200	-	-	-	-	-	18,200
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	17,200	3,800	3,800	3,800	3,800	3,800	36,200
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	186,200	-	-	-	-	-	186,200
Trainer	Trains business partners and employees in new system processes and capabilities.	\$ 22,620	47,500	-	-	-	-	-	47,500
Organizational Change Management	Prepares stakeholders for the change and develops strategies to ensure the changes are fully adopted.	\$ 37,410	205,800	-	-	-	-	-	205,800
Project Contingency	Office of the Chief Information Officer designated rate of 10%	\$ 25,474	94,000	600	600	600	600	600	97,000
<b>Totals</b>			<b>1,034,000</b>	<b>6,100</b>	<b>6,100</b>	<b>6,100</b>	<b>6,100</b>	<b>6,100</b>	<b>1,064,500</b>

What DOL will implement:

#### DRIVES

1. Identify Drivers
  - a. New logic to identify a high-risk driver that will alert the user during an issuance activity, including a new "High-risk indicator".
2. Condition/Requirements/Restrictions:
  - a. Create a new:
    - i. knowledge/skills requirement for drivers considered a "high risk driver" that must be completed before issuance.
    - ii. knowledge/skills condition for drivers for "older drivers" based on specific criteria to take a refresher course.
  - b. Create a new requirement and case for high-risk drivers required to get statement on their condition from a licensed physician or authorities. Based on review, customer may be required to have a re-exam.
  - c. Create a new condition that a "monitoring technology" was installed.



3. Issuance:
  - a. For older drivers, modify the system to give a shortened expiration date during renewal issuances.
  - b. For older drivers, allow a no fee issuance of an identicard if they voluntarily surrender their driver license.
  - c. New section/activity to add restrictions, includes adding indicator for the restriction for high-risk drivers based on time and placed driving restrictions.
4. Interface:
  - a. New interface with the "driver monitoring technology" required in a vehicle while operated by the older driver, would include data sent to the vendor and receive data, includes creating an incident control document.
  - b. Receive new data from Polaris for providers who gave the knowledge and skills tests for new business type, including accepting multiple new exams/course types, including updating the incident control document.
5. Reports: New reports.
6. Letters: New/updated letters.

Security Assessment: Perform a full security assessment and analysis for new driver monitoring requirement.

Ongoing Maintenance: Monthly ongoing maintenance for the new interface with "driver monitoring" vendor.

Polaris:

1. Update scanners to route paper applications to POLARIS system.
2. Add new program type for traffic safety education and new license type for traffic safety courses to POLARIS.
3. Create ability for applicants to submit new and reinstatement applications through online portal.
4. Update POLARIS to allow staff to process applications and issue approve courses.
5. Add new notifications.
6. Create ability for licensees to submit Account Maintenance Requests (AMR).
7. Update interface between POLARIS and DRIVES to send course information.

New vendor contract: Indeterminate at this time until further research and analysis to determine what options and system availability is offered.

### **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	1,645,000	658,000	2,303,000	1,599,000	1,968,000
<b>Account Totals</b>		<b>1,645,000</b>	<b>658,000</b>	<b>2,303,000</b>	<b>1,599,000</b>	<b>1,968,000</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	3.0	4.0	3.5	6.7	8.0
Salaries and Wages	277,000	369,000	646,000	771,000	950,000
Employee Benefits	92,000	122,000	214,000	320,000	394,000
Goods and Services	1,262,000	167,000	1,429,000	508,000	624,000
Equipment	14,000	-	14,000	-	-
<b>Total By Object Type</b>	<b>1,645,000</b>	<b>658,000</b>	<b>2,303,000</b>	<b>1,599,000</b>	<b>1,968,000</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	0.0	0.0	3.3	4.0
Management Analyst 5	91,524	1.0	2.0	1.5	0.0	0.0
Paralegal 1	64,788	0.0	0.0	0.0	0.8	1.0
IT Project Management - Senior/Specialist	115,824	1.0	1.0	1.0	0.0	0.0
Program Specialist 3	69,756	1.0	1.0	1.0	1.8	2.0
Program Specialist 5	82,896	0.0	0.0	0.0	0.8	1.0
<b>Total FTE</b>		<b>3.0</b>	<b>4.0</b>	<b>3.5</b>	<b>6.7</b>	<b>8.0</b>

### Part 4 – Capital Budget Impact

None.

### Part 5 – New Rule Making Required

The department will use existing resources for rulemaking. Due to the extensive of rulemaking, additional resources for the Office of the Attorney General may be required, but cannot be determined at this time.