

Individual State Agency Fiscal Note

Bill Number: 1781 HB	Title: Boater safety and education	Agency: 465-State Parks and Recreation Commission
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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
Boating Safety Education Certification Account-Non-Appropriated 09B-6	4,520,000	4,520,000	9,040,000	7,919,930	4,317,670
Total \$	4,520,000	4,520,000	9,040,000	7,919,930	4,317,670

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	7.8	7.8	7.8	7.8	7.8
Account					
Boating Safety Education Certification Account-Non-Appropriated 09B-6	4,928,000	2,613,000	7,541,000	4,342,391	3,459,346
Total \$	4,928,000	2,613,000	7,541,000	4,342,391	3,459,346

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.

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Agency Approval: Frank Gillis	Phone: (360) 902-8538	Date: 02/09/2023
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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.

NEW SECTION. Sec. 3. (1). This bill would direct the commission to administer boater safety education in the form of a paddle education card and require individuals to obtain a paddle education card before operating a human powered vessel and to begin implementation by 1/1/2024.

NEW SECTION. Sec. 3. (2). (a). This bill requires the commission to produce a human powered vessel safety checklist and for that checklist to be reviewed by anyone renting human powered vessels for short-term use.

NEW SECTION. Sec. 3. (2). (b). This bill directs the commission to adopt minimum curriculum standards for paddle education, and to approve and provide accreditation to human powered vessel education courses operated by volunteers, non-profits and commercial entities.

NEW SECTION. Sec. 3. (2). (c). This bill directs the commission to approve and provide accreditation to human powered vessel safety courses for human powered vessels operated by volunteers or commercial or non-profit organizations.

NEW SECTION. Sec. 3. (2). (d). This bill directs the commission to develop and equivalency exam that may be taken as an alternative as the human powered vessel safety education course.

NEW SECTION. Sec. 3. (2). (e). This bill directs the commission to establish a fee of the paddle education card to fund all commission activities related to the human powered vessel safety education program.

NEW SECTION. Sec. 3. (2). (e). This bill directs the commission to develop an electronic option for a paddle education card that can be stored digitally in addition to a physical card.

NEW SECTION. Sec. 3. (2). (f). This bill directs the commission to establish a fee for the replacement of the paddle education card that covers costs.

NEW SECTION. Sec. 3. (2). (g). This bill directs the commission to consider and evaluate public agency and commercial opportunities to assist in program administration with the intent to keep the costs to a minimum.

NEW SECTION. Sec. 3. (2). (h). This bill directs the commission to approve and provide accreditation to human powered vessel safety courses offered online.

NEW SECTION. Sec. 3. (2). (i). This bill directs the commission to coordinate with the Department of Licensing to offer a voluntary registration program for human powered vessels.

Sec. 4. (3). A boater education card expires and is no longer valid 20 years after the date of issuance.

Sec. 5. (1). The exemption for persons operating a vessel with a mechanical power of 15 horsepower or greater is being removed. Which means now all vessel operators, regardless of motor size, will now need to obtain a boater education card before operating a motor vessel.

Sec. 5. (1). (b). (i). No person shall operate or permit the operation of human powered vessels unless the person has in their possession a paddle education card.

Sec. 5. (1). (b). (ii). No person shall operate a human powered vessel if they are under 12 years old unless accompanied by a person 16 years or older who has obtained a paddle or boater education card.

Sec. 5. (2). (i). People born before January 1, 1955, will now be required to obtain a boater education card to operate a motor vessel of any size horsepower.

Sec. 5. (2). (b). This bill directs the commission to adopt a digital option for boater education cards and paddle education cards.

Sec. 5. (5). The boating program would need to design a human powered vessel safety operating and equipment checklist for rental agents of human powered vessels to deliver and review with folks who rent from them.

This legislation would have substantial revenue and expenditure impacts to the State Parks Boating Program.

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.

There is a \$10 administration fee for both the Boater Education Card (BEC) and the Paddle education Card (PEC). All revenue assumptions stem from this one price point for customers. We believe there would be 2,716,380 cards issued in the next 10 years and we project cash receipts of \$27,163,800.

Assuming four new revenue streams if this bill is enacted.

- 1.) New Paddle Education Cards. NEW SECTION. Sec. 3. (1).
- 2.) New Boater Education Cards for people born before 1955. Sec. 5. (2). (i).
- 3.) New Boater Education Cards for motor operators of vessel with less than 15hp motors. Sec. 5. (1).
- 4.) Renewal of Boater and Paddle Education Cards every 20 years. Sec. 4. (3).

Revenue Assumptions: 10-year analysis

- 1/1/24 implementation date with years 2024-2033 analyzed.
- \$10/card throughout 10-year period of analysis.
- 184,000 new Boater Education Cards (first time holders)
- 128,380 renewed Boater Education Cards (75% renewal rate)
- 2,170,000 paddle education cards issued. (Per RCO SCORP data: 52% of Washingtonians participate in paddle sports with 50% compliance rate).
- 202,000 new boater education cards from individuals with under 15HP vessels. (Using USCG data that 2/3 of all accidents are from vessels less than 16’).
- 32,000 new boater education cards from people born prior to 1955. (Per OFM age projection data and RCO SCORP data: 1/3 of Washingtonians participate in recreational motorboating with 50% compliance rate).
- Assume any remaining funds from the BEC and the PEC will be spent for MLE agency mission partnership.

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.

If enacted as written, SB 5597 would create a large administrative lift by the boating program. Over the next 10 years, we believe there would be over 2,700,000 new boater and paddle education cards issued by a program that has currently issued over 450,000 cards in the last 17 years. There is no phase-in language in this bill as there was with the original boater education card, which means, there would be some heavy up front (one-time) costs associated with getting this program up and running. For instance, our data storage capacity would need to be increased by 10-fold to prepare for the upcoming volume of card holders. Our current system is not built for this capacity. There is also direction for a technology component where a digital card is now an option for both the PEC and the BEC. Both IT focused services will need to be procured under contract with a state security design review. It will be expensive, and it will take time. And there will be on-going

operation and maintenance of the database and digital card platform which we will also need to procure through the state. We assume 2 additional full time IT staff added to our team to procure, manage, and maintain these technology items.

If enacted as written, we will need to do outreach and deliver education to the greater recreational boating and paddling public on the new laws. This would include one-time costs associated with web design, paid social, billboards, events, campaigns, and other outreach mediums to educate boaters and paddlers and to connect them to the appropriate resources for compliance with the new laws. We project 1 additional full-time Communications Consultant to deliver communication and outreach services. There will also be on-going costs for operational services associated with promotional outreach and education.

If enacted as written, our team would need to adopt national education standards for the paddle education curriculum, and we would need to design a new paper exam and study guide for the Paddle Education Card certification. There will be ongoing costs associated with the printing and supply of education materials for the mandatory PEC. Our team would also need to update the paper exam and study guide for the BEC. There will be ongoing costs associated with the printing and supply of education materials for the mandatory BEC. There would be one-time costs associated with the creation of the human powered watercraft operating and safety checklist that rental agents would need to use to educate customers who would be renting from them. We would need to add 1 full-time Program Specialist to assist with workload management.

If enacted as written, we would need to add 2 full time Customer Service Specialists to manage the PEC and BEC application process and to respond to all customer correspondence. In 2022, our team of 1 customer service specialist processed 21,518 BEC's, responded to 4,457 emails and took 3,318 phone calls. We assume 452,000 new BEC's and PEC's in year one of implementation.

The Boating Program is responsible for Marine Law Enforcement training, so officers are well equipped to educate the public, enforce recreational boating and paddling laws, investigate accidents and assist boaters and paddlers in distress. If enacted as written, we would need to train our marine law enforcement instructors on the new laws and on the skills and techniques for best safety practices when operating human powered watercraft. Our team would need to create new instruction courses for officers of our approved law enforcement agencies. Human powered watercraft operation, safety and enforcement are not techniques and skills currently taught. These would all be ongoing annual expenses. There would be one-time costs associated with creating and revising education modules and materials in our Basic Marine Law Enforcement Academy. We assume on adding 1 full-time Program Coordinator to support workflow in our MLE programming.

One-time Expenditures:

- IT: Digital Boater & Paddle Education Cards, Data Systems Build, Online records Management. \$2.5m
- Rule Making Administrative Costs: \$50,000
- RCW's, WAC's, Law Tables, Public Input (25% Boating Program Manager and 25% PS5's)

FTE Additions

- 2 IT - 1 Data Management and 1 App Development
- 1 Communications Consultant 3
- 1 Program Specialist 3 in education
- 2 Customer Service Specialist 3
- 1 Program Coordinator for MLE operational support
- .75 administrative support for building internal capacity to create systems, functions, and processes to deliver efficient public service. Obtaining public input on the process, coordinating with partner agencies, building external support for new laws: 25% Boating Programs Manager - WMS, 25% Education Coordinator – PS5, 25% MLE Coordinator - PS5
- 7.75 FTE on-going annual expense of \$646,518/year beginning in 2024.

On-Going Expenditures

- IT maintenance & Operation: 10% of total one-time cost per year = \$250,000. Over 10 years = \$2.5m

- Outreach: web, videos, paid social, billboards, promote new laws, one sheets
- Education Materials: print graphics, exams, home study course books, mailings
- Marine Law Enforcement: Paddle Education Enforcement, on-water training, BMLE module creation, Instructor training, Priority for 49 approved MLE Agencies to partner with program to educate and enforce recreational boating and paddling laws.

Total 10-year projected expenses: \$21,126,667

Total 10-year projected revenue: \$27,163,800

Total remaining that may be distributed to approved marine units per statue over 10 years: \$6,037,133

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
09B-6	Boating Safety Education Certification Account	Non-Appropriated	4,928,000	2,613,000	7,541,000	4,342,391	3,459,346
Total \$			4,928,000	2,613,000	7,541,000	4,342,391	3,459,346

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	7.8	7.8	7.8	7.8	7.8
A-Salaries and Wages	478,902	478,902	957,804	957,804	957,804
B-Employee Benefits	167,616	167,616	335,232	335,232	335,232
C-Professional Service Contracts					
E-Goods and Other Services	4,261,482	1,956,482	6,217,964	3,039,355	2,156,310
G-Travel	20,000	10,000	30,000	10,000	10,000
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 \$	4,928,000	2,613,000	7,541,000	4,342,391	3,459,346

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
Boating Program Manager - WMS Band 3	104,592	0.3	0.3	0.3	0.3	0.3
Communications Consultant 3	58,704	1.0	1.0	1.0	1.0	1.0
Customer Service Specialist 3	43,800	2.0	2.0	2.0	2.0	2.0
IT App Development - Journey	88,428	1.0	1.0	1.0	1.0	1.0
IT Data Management - Entry	71,184	1.0	1.0	1.0	1.0	1.0
Program Coordinator	42,696	1.0	1.0	1.0	1.0	1.0
Program Specialist 3	61,632	1.0	1.0	1.0	1.0	1.0
Program Specialist 5	85,020	0.5	0.5	0.5	0.5	0.5
Total FTEs		7.8	7.8	7.8	7.8	7.8

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

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.

This legislation would require State Parks to revise or create several RCWs, WACs, and law tables.



Ten-Year Analysis

Bill Number 1781 HB	Title Boater safety and education	Agency 465 State Parks and Recreation Commission
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

Estimated Cash Receipts

Name of Tax or Fee	Acct Code	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	2024-33 TOTAL
Boater Education Card Fee	09B	4,520,000	4,520,000	4,755,430	3,164,500	2,826,810	1,490,860	1,460,140	1,525,780	1,377,040	1,523,240	27,163,800
Total		4,520,000	4,520,000	4,755,430	3,164,500	2,826,810	1,490,860	1,460,140	1,525,780	1,377,040	1,523,240	27,163,800
Biennial Totals		9,040,000		7,919,930		4,317,670		2,985,920		2,900,280		27,163,800

Narrative Explanation (Required for Indeterminate Cash Receipts)

There is a \$10 administration fee for both the Boater Education Card (BEC) and the Paddle education Card (PEC). All revenue assumptions stem from this one price point customers. We believe there would be 2,716,380 cards issued in the next 10 years and we project cash receipts of \$27,163,800.

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Narrative Explanation (Required for Indeterminate Cash Receipts)

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- Assume any remaining funds from the BEC and the PEC will be spent for MLE agency mission partnership.

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