

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 5504 SB	<b>Title:</b> Open motor vehicle safety recalls
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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
Office of Attorney General	0	0	31,000	0	0	47,000	0	0	0
Department of Licensing	Non-zero but indeterminate cost and/or savings. Please see discussion.								
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>31,000</b>	<b>0</b>	<b>0</b>	<b>47,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 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
Office of Attorney General	.1	0	0	31,000	.1	0	0	47,000	.0	0	0	0
Washington State Patrol	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Licensing	5.1	0	0	3,433,000	4.6	0	0	2,725,000	4.6	0	0	2,678,000
<b>Total \$</b>	<b>5.2</b>	<b>0</b>	<b>0</b>	<b>3,464,000</b>	<b>4.7</b>	<b>0</b>	<b>0</b>	<b>2,772,000</b>	<b>4.6</b>	<b>0</b>	<b>0</b>	<b>2,678,000</b>

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Washington State Patrol	.0	0	0	.0	0	0	.0	0	0
Department of Licensing	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

## Estimated Capital Budget Breakout

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**Phone:**  
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**Date Published:**  
Revised 2/15/2023

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5504 SB	<b>Title:</b> Open motor vehicle safety recalls	<b>Agency:</b> 100-Office of Attorney General
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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
Legal Services Revolving Account-State 405-1		31,000	31,000	47,000	
<b>Total \$</b>		31,000	31,000	47,000	

### Estimated Operating Expenditures from:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	0.2	0.1	0.2	0.0
<b>Account</b>					
Legal Services Revolving Account-State 405-1	0	31,000	31,000	47,000	0
<b>Total \$</b>	0	31,000	31,000	47,000	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: Bryon Moore	Phone: (360)786-7726	Date: 01/21/2023
Agency Preparation: Chad Standifer	Phone: 3605863650	Date: 02/15/2023
Agency Approval: Joe Zawislak	Phone: 360-586-3003	Date: 02/15/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/15/2023

## 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.*

Section 1: Requires an official motor vehicle inspection facility or licensed private inspection facility to provide written notice to the owner of a motor vehicle being inspected for all open safety recalls applicable at the time of inspection. Specifies what the recall notice must include. Requires the Department of Licensing (DOL) to provide written notice to the owner of a motor vehicle, at the time a vehicle is registered or upon mailing a motor vehicle's registration renewal notice, of all open safety recalls applicable to the vehicle. Specifies what the DOL recall notice must include. Requires owners to obtain necessary repairs before the vehicle's next registration renewal. Requires DOL to deny an application for registration renewal if the open safety recalls have not been remedied by the next registration renewal except if certain exemptions apply.

Section 2: Adds a new section to RCW 46.32 providing that official inspection facilities and licensed private inspection facilities inspecting a vehicle must check the information made available by the National Highway Traffic Safety Administration (NHTSA) and provide notice to owners of any open safety recalls. Specifies the details of the recall notice. Defines an "open safety recall".

Section 3: Adds a new section to RCW 46.16A32 providing that DOL, prior to issuing a registration or upon mailing a motor vehicle's registration renewal notice, must check the information made available by the NHTSA and provide notice to owners of any open safety recalls. Specifies the details of the recall notice. Requires DOL to deny registration renewals if repairs were not timely made. Prevents DOL from denying a registration renewal under certain exemptions. Defines an "open safety recall".

Section 4: Provides an effective date for the act of July 1, 2024.

### 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.*

Cash receipts are assumed to equal the Legal Services Revolving Account (LSRA) cost estimates. These will be billed through the revolving account to the client agency.

The client agency is the Department of Licensing (DOL). The Attorney General's Office (AGO) will bill all clients for legal services rendered.

These cash receipts represent the AGO's authority to bill and are not a direct appropriation to the AGO. The direct appropriation is reflected in the client agency's fiscal note. Appropriation authority is necessary in the AGO budget.

#### AGO AGENCY ASSUMPTIONS:

DOL will be billed for Seattle rates:

FY 2025 and FY 2026: \$31,000 for 0.11 Assistant Attorney General FTE (AAG) and 0.06 Legal Assistant 3 FTE (LA), this includes direct litigation costs of \$7,500.

FY 2027: \$16,000 for 0.06 AAG and 0.03 LA, this includes direct litigation costs of \$1,000.

### 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.*

Attorney General's Office (AGO) Agency Assumptions:

Legal services associated with the enactment of this bill will begin on July 1, 2024.

Location of staffing is assumed to be in a Seattle office building.

Total workload impact in this request includes standard assumption costs for goods & services, travel, and capital outlays for all FTE identified.

Agency administration support FTE are included in the tables, for every 1.0 Assistant Attorney General FTE (AAG), the AGO includes 0.5 FTE for a Legal Assistant 3 (LA) and 0.25 FTE of a Management Analyst 5 (MA). The MA is used as a representative classification.

Assumptions for the AGO Licensing & Administrative Law Division (LAL) legal services for the Department of Licensing (DOL):

The AGO will bill DOL for legal services based on the enactment of this bill.

DOL estimates 37,000 vehicle registration renewals will be denied if this bill is enacted.

There is no established method to estimate how many of those denials will be appealed given the large number of vehicle registrations that occur in a year and the uncertainty of compliance with the statutory requirement to perform recall work before renewal. It is uncertain whether and how owners will meet any of the statutory exceptions to compliance.

LAL currently receives one to two appeals of vehicle cancellations under RCW 46.16A.070. It is not clear what appeal process vehicle owners would receive under this bill but using RCW 46.16A.070 as guidance, it could be an appeal to superior court.

The estimate of AAG hours per case is 10 hours.

LAL anticipates up to 20 appeals to superior court of vehicle registration renewal denials in FY 2025 and FY 2026 and 10 appeals in FY 2027, at 10 AAG hours per case.

FY 2025 and FY 2026: 200 AAG hours (20 x 10).

FY 2027: 100 AAG hours (10 x 10).

LAL assumes \$100 in direct litigation costs per superior court matter.

These estimates are based on the AGO's communications with DOL. If there were a large recall to occur after implementation of the bill, the number of renewal denials would likely increase, rather than decrease.

LAL: Total Seattle workload impact:

FY 2025 and FY 2026: \$31,000 for 0.11 AAG and 0.06 LA, this includes direct litigation costs of \$2,000.

FY 2027: \$16,000 for 0.06 AAG and 0.03 LA, this includes direct litigation costs of \$1,000.

The AGO Torts Division (Torts) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the Department of Enterprise Services (DES) as agencies will implement new legal requirements non-negligently. New legal services are nominal, and costs are not included in this request.

### Part III: Expenditure Detail

#### III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
405-1	Legal Services Revolving Account	State	0	31,000	31,000	47,000	0
<b>Total \$</b>			0	31,000	31,000	47,000	0

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.2	0.1	0.2	
A-Salaries and Wages		20,000	20,000	30,000	
B-Employee Benefits		6,000	6,000	9,000	
E-Goods and Other Services		5,000	5,000	8,000	
<b>Total \$</b>	0	31,000	31,000	47,000	0

#### 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
Assistant Attorney General-Seattle	124,635		0.1	0.1	0.1	
Legal Assistant 3-Seattle	67,044		0.1	0.0	0.1	
Management Analyst 5	91,524		0.0	0.0	0.0	
<b>Total FTEs</b>			0.2	0.1	0.2	0.0

#### III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Licensing & Administrative Law Division (LAL)		31,000	31,000	47,000	
<b>Total \$</b>		31,000	31,000	47,000	

### 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

<b>Bill Number:</b> 5504 SB	<b>Title:</b> Open motor vehicle safety recalls	<b>Agency:</b> 225-Washington State Patrol
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## Part I: Estimates

No Fiscal Impact

**Estimated Cash Receipts to:**

NONE

**Estimated Operating Expenditures from:**

NONE

**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.*

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- 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: 01/21/2023
Agency Preparation: Kendra Sanford	Phone: 360-596-4080	Date: 01/23/2023
Agency Approval: Mario Buono	Phone: (360) 596-4046	Date: 01/23/2023
OFM Review: Tiffany West	Phone: (360) 890-2653	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.*

The proposed legislation increases job duties but creates a minimal fiscal impact to the Washington State Patrol (WSP), which can be absorbed within current resources.

New Section 2 requires that during a motor vehicle inspection, an official inspection facility or licensed private inspection facility checks if the motor vehicle being inspected is subject to an open safety recall. If the vehicle is subject to one or more open safety recalls, the owner, at the time of inspection, must be provided with written notice of all open safety recalls applicable to the motor vehicle.

### 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.*

### 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.*

New Section 2 will require training our Vehicle Identification Number (VIN) Officers how to search the National Highway Traffic Safety Administration (NHTSA) system for motor vehicle open safety recalls. The NHTSA does not allow scanning the VIN, therefore VIN Officers will need to manually type in the VIN. Initial training and procedure updates are estimated to have a minimal fiscal impact, which can be absorbed within current resources.

We will need to research if an open safety recall is applicable on every motor vehicle we inspect. If one or more open safety recalls are identified, then written notice will need to be prepared and provided to the owner at the time of the inspection. This increase in job duties can be absorbed within current resources.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

NONE

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

NONE

**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

<b>Bill Number:</b> 5504 SB	<b>Title:</b> Open motor vehicle safety recalls	<b>Agency:</b> 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.

### Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	5.1	5.1	5.1	4.6	4.6
<b>Account</b>					
Motor Vehicle Account-State 108 -1	1,968,000	1,465,000	3,433,000	2,725,000	2,678,000
<b>Total \$</b>	1,968,000	1,465,000	3,433,000	2,725,000	2,678,000

### 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:

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- 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: 01/21/2023
Agency Preparation: Aaron Harris	Phone: (360) 902-3795	Date: 02/13/2023
Agency Approval: Gerrit Eades	Phone: (360)902-3863	Date: 02/13/2023
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 02/13/2023

## 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.

### 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
108-1	Motor Vehicle Account	State	1,968,000	1,465,000	3,433,000	2,725,000	2,678,000
<b>Total \$</b>			1,968,000	1,465,000	3,433,000	2,725,000	2,678,000

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	5.1	5.1	5.1	4.6	4.6
A-Salaries and Wages	309,000	309,000	618,000	512,000	512,000
B-Employee Benefits	127,000	127,000	254,000	220,000	220,000
C-Professional Service Contracts					
E-Goods and Other Services	1,280,000	1,029,000	2,309,000	1,993,000	1,946,000
G-Travel					
J-Capital Outlays	252,000		252,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total \$</b>	1,968,000	1,465,000	3,433,000	2,725,000	2,678,000

### 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	2.6	2.6	2.6	2.6	2.6
IT Project Management - Journey	105,060	0.5	0.5	0.5		
Licensing Services Representative 4	75,120	1.0	1.0	1.0	1.0	1.0
Vehicle Services Liaison Officer 2	58,704	1.0	1.0	1.0	1.0	1.0
<b>Total FTEs</b>		5.1	5.1	5.1	4.6	4.6

**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: 5504 SB

Bill Title: Open Motor Vehicle Safety Recalls

## Part 1: Estimates

No Fiscal Impact

### Estimated Cash Receipts:

Revenue	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
<b>Account Totals</b>		-	-	-	-	-

### Estimated Expenditures:

		FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
FTE Staff Years		5.1	5.1	5.1	4.6	4.6
Operating Expenditures	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Motor Vehicle	108	1,968,000	1,465,000	3,433,000	2,725,000	2,678,000
<b>Account Totals</b>		<b>1,968,000</b>	<b>1,465,000</b>	<b>3,433,000</b>	<b>2,725,000</b>	<b>2,678,000</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.

Legislative Contact:	Phone: (360)	Date:
Agency Preparation: Aaron Harris	Phone: (360) 902-3795	Date: 1/23/2023
Agency Approval: Gerrit Eades	Phone: (360) 902-3931	Date: 1/23/2023

Request #	1
Bill #	5504 SB

## Part 2 – Explanation

This bill requires vehicle inspectors to provide written notice to vehicle owners of any open safety recalls. The Department of Licensing (DOL) must also provide written notice of any open safety recalls at the time of initial registration and with each renewal notice. DOL may not renew a vehicle’s registration unless the owner self-attests to having repaired the issue, annually for the life of the recall. Some exemptions apply.

Effective date July 1, 2024.

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

Section 1: Intent

Section 2: New Section in RCW 46.32 (Vehicle Inspection)

- Requires vehicle inspectors to check vehicles for open safety recalls and provide written notice to the owner. Notice must include a description of the recall and a statement that the recall may be remedied at no cost to the owner.
- The director and director’s designees, and private inspection facilities, are not liable for acts or omissions to the notification under this section, except for cases of gross negligence.

Section 3: New Section in RCW 46.16A (Registration)

- Requires DOL to check for open safety recalls before registering or renewing a motor vehicle. If a vehicle has an open safety recall, DOL must provide written notice of all recalls to the owner.
- Written notice of open safety recalls must be provided in each renewal notice. Notice must include a description of the recall and a statement that the recall may be remedied at no cost to the owner.
- Written notice must also advise that DOL may not renew registration unless each open safety recall is repaired.
- Vehicle owners must self-attest that the recall has been repaired annually, for the life of the recall.
- DOL is not to renew registration for any vehicle that has not been repaired unless an exception applies.
- Exceptions include: no remedy available, replacement parts not available in the manufacturer’s state dealer network, repairs require owner payment, aftermarket modifications prevent the remedy, and undue hardship.

Section 4: Effective date July 1, 2024.

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

Revenue	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
	Account Totals	-	-	-	-	-

This bill requires that DOL and its subagents provide vehicle registrants with information regarding any open safety recalls on their registered vehicles and prohibits re-issuing registration if any safety recalls, which can be remedied at no cost, have not been remedied by the registrant. Adding barriers to registration will result in a decrease in total registrations, the impact of this legislation cannot be known

and is expected to be minor. For illustrative purposes if this legislation were to result in a loss of one out of every ten thousand registrations the impact would be greater than the \$50,000 threshold of being significant for fiscal note purposes.

## **2.C – Expenditures**

Section 3 of this bill is expected to significantly increase call volume to the customer service center as well as to staff that support the independent Vehicle Licensing Offices.

DOL is estimating that the Vehicle Licensing Office support staff will receive an annual increase of 10,000 calls from staff working at Vehicle Licensing Offices. This call volume would necessitate 1 FTE of a Vehicle Services Liaison Officer to handle calls from the Vehicle Licensing Offices and 1 FTE of a Licensing Services Representative to handle escalated situations of both calls and emails. Vehicle Licensing Offices will require electronic signature pads to record the customer's self-attestation of the safety recall being completed. There are currently 865 workstations that will require electronic signature pads at a cost of \$250 each for a total of \$216,000 one-time.

The Customer Service Center would require 2 FTEs of a Customer Service Specialist to handle the estimated increased call volume of 37,000 additional calls per year from Washingtonians who aren't able to register their vehicle due to an outstanding safety recall. Each Customer Service Specialist handles approximately 18,000 calls per year.

The Programs and Services Division is estimating a 25% increase in escalated calls resulting in additional research regarding the safety recall on specific vehicles to find out why a customer was denied a registration renewal, this workload would require .6 FTE of a Customer Service Specialist. Programs and Services Division is also anticipating an increase in the volume of letters being sent to customers regarding the status of their registration renewal. The cost is estimated at \$.63 per letter times 1,600 letter for a total of \$1,000.

DOL will require .5 FTE of a Project Manager to manage the implementation of this new process.

Based on current data, there are approximately 1 million open safety recalls in Washington state, that is approximately 12% of total vehicles. DOL is assuming that the safety recall notification letter cannot be combined with an existing letter and will have to be mailed individually at a cost of \$.63 per notification for a total cost of \$630,000.

The Attorney General's Office will bill DOL for legal services based on the enactment of this bill. DOL will be billed for Seattle rates: FY 2025 and FY 2026: \$31,000 for 0.11 Assistant Attorney General FTE (AAG) and 0.06 Legal Assistant 3 FTE (LA), this includes direct litigation costs of \$7,500. FY 2027: \$16,000 for 0.06 AAG and 0.03 LA, this includes direct litigation costs of \$1,000.

### **Information Services:**

What IS Will Implement:

**Interfaces:**

1. Create a new interface with NHTSA “open safety recall” database.  
Licensing - Compliance - Accounts – Cases: (Logic; Indicator; Batch Jobs)
2. Create new “Safety Recall” warning in DRIVES for matching VINs when an open recall is found during a transaction (Dept Temp; *Original*; Renewal; Transfer).
  - a. Create Validation box confirming safety recall was completed.
    - i. Mapping of the corrections for reporting purposes.
  - b. Create safety recall exemption options for customers that meet the exemptions.
    - i. Mapping of the exemptions for reporting purposes.
3. New logic to conduct an inquiry for safety defect when processing Mail-In Renewals. (Real Time)
4. Add indicator during selection of renewal notice if the vehicle has recall. New job inserted into the process.
5. Must be able to remove an indicator manually cease the recall indicator.
6. New logic to call NHTSA during email\renewal notice process (with and without violations). New job inserted into the process.

**Letters:**

7. Create new letter or modify Renewal Notice if a safety recall match is found when pulling mailed renewal notices.
8. Create new message if a safety recall match is found when pulling email renewal notices.

**Electronic Services:**

9. New logic to conduct an inquiry for safety defect when processing online Renewals. (Real Time)  
New logic to conduct an inquiry for safety defect when processing online Renewals. (Real Time)
10. Create new “Safety Recall” warning in DRIVES for matching VINs when an open recall is found during ePermit? If so hours: (Real Time)
  - a. Create Validation box confirming safety recall was completed.
    - i. Mapping of the corrections for reporting purposes.
  - b. Create safety recall exemption options for customers that meet the exemptions.
    - i. Mapping of the exemptions for reporting purposes.

**Reporting:**

11. Standard Report hours: 10 assuming 3 reports
  - a. Renewal of recall notices sent to customers.
    - i. Models’ year make type.
  - b. VLO Activities stopped.
  - c. ePermit - Activities stopped.

**Assumptions:**

1. Business must decide which NHTSA codes will require action. (NHTSA will provide “Unrepaired recalls” codes\indicators and required repair details.)
2. Business will account for increased mailing cost.
3. Bill makes renewal notices mandatory.
4. Interface will be “real-time.”
5. When repair is completed the indicator\recall is cleared from NHTSA
6. Activities that are stopped not corrected or exempted are not reported due to activity not being completed.
7. Business will need to determine security groups who can manually cease the recall indicator.



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	54,300	-	-	-	-	-	54,300
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	11,600	-	-	-	-	-	11,600
PROJECT MANAGER	Manage schedule and contracts	\$ 28,710	14,400	-	-	-	-	-	14,400
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
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	96,800	-	-	-	-	-	96,800
Trainer	Trains business partners and employees in new system processes and capabilities.	\$ 22,620	15,800	-	-	-	-	-	15,800
Project Contingency	Office of the Chief Information Officer designated rate of 10%	\$ 25,474	20,000	-	-	-	-	-	20,000
<b>Totals</b>			<b>219,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>219,500</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
Motor Vehicle	108	1,968,000	1,465,000	3,433,000	2,725,000	2,678,000
<b>Account Totals</b>		<b>1,968,000</b>	<b>1,465,000</b>	<b>3,433,000</b>	<b>2,725,000</b>	<b>2,678,000</b>

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

<b>Object of Expenditure</b>	<b>FY 24</b>	<b>FY 25</b>	<b>23-25 Total</b>	<b>25-27 Total</b>	<b>27-29 Total</b>
FTE Staff Years	5.1	5.1	5.1	4.6	4.6
Salaries and Wages	309,000	309,000	618,000	512,000	512,000
Employee Benefits	127,000	127,000	254,000	220,000	220,000
Goods and Services	1,280,000	1,029,000	2,309,000	1,993,000	1,946,000
Equipment	252,000	-	252,000	-	-
<b>Total By Object Type</b>	<b>1,968,000</b>	<b>1,465,000</b>	<b>3,433,000</b>	<b>2,725,000</b>	<b>2,678,000</b>

**3.C – FTE Detail**

<b>Staffing</b>	<b>Salary</b>	<b>FY 24</b>	<b>FY 25</b>	<b>23-25 Total</b>	<b>25-27 Total</b>	<b>27-29 Total</b>
Vehicle Services Liaison Officer 2	58,704	1.0	1.0	1.0	1.0	1.0
Licensing Services Representative 4	75,120	1.0	1.0	1.0	1.0	1.0
IT Project Management - Journey	105,060	0.5	0.5	0.5	0.0	0.0
Customer Service Specialist 2	46,980	2.6	2.6	2.6	2.6	2.6
<b>Total FTE</b>		<b>5.1</b>	<b>5.1</b>	<b>5.1</b>	<b>4.6</b>	<b>4.6</b>

**Part 4 – Capital Budget Impact**

None.

**Part 5 – New Rule Making Required**

None.