

Multiple Agency Fiscal Note Summary

| | |
|-------------------------------|--|
| Bill Number: 5730 S SB | Title: Vehicle residences/impound |
|-------------------------------|--|

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 | No fiscal impact | | | | | |
| Loc School dist-SPI | | | | | | |
| Local Gov. Other | | | | | | |
| 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 |
| Administrative Office of the Courts | .0 | 0 | 0 | 0 | .0 | 0 | 0 | 0 | .0 | 0 | 0 | 0 |
| Office of Attorney General | .0 | 0 | 0 | 0 | .0 | 0 | 0 | 0 | .0 | 0 | 0 | 0 |
| Washington State Patrol | Non-zero but indeterminate cost and/or savings. Please see discussion. | | | | | | | | | | | |
| Department of Licensing | 1.5 | 0 | 0 | 639,000 | 3.0 | 0 | 0 | 608,000 | 3.0 | 0 | 0 | 608,000 |
| Total \$ | 1.5 | 0 | 0 | 639,000 | 3.0 | 0 | 0 | 608,000 | 3.0 | 0 | 0 | 608,000 |

| Agency Name | 2023-25 | | | 2025-27 | | | 2027-29 | | |
|---------------------|--|----------|-------|---------|----------|-------|---------|----------|-------|
| | FTEs | GF-State | Total | FTEs | GF-State | Total | FTEs | GF-State | Total |
| Local Gov. Courts | No fiscal impact | | | | | | | | |
| 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 |
| Administrative Office of the Courts | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| 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 |
| 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 | No fiscal impact | | | | | | | | |
| 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 2/23/2023 |
|---|---------------------------------|---|

Judicial Impact Fiscal Note

| | | |
|-------------------------------|--|--|
| Bill Number: 5730 S SB | Title: Vehicle residences/impound | Agency: 055-Administrative Office of the Courts |
|-------------------------------|--|--|

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

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 for 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.

| | | |
|---|-----------------------|------------------|
| Legislative Contact: Melissa Van Gorkom | Phone: 360-786-7491 | Date: 02/17/2023 |
| Agency Preparation: Angie Wirkkala | Phone: 360-704-5528 | Date: 02/21/2023 |
| Agency Approval: Chris Stanley | Phone: 360-357-2406 | Date: 02/21/2023 |
| OFM Review: Gaius Horton | Phone: (360) 819-3112 | Date: 02/21/2023 |

184,320.00

Request # 197-1

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact on the Courts

This bill would change laws and add new sections relating to the impound of vehicles used as residences.

II. B - Cash Receipts Impact

II. C - Expenditures

No fiscal impact expected to the Administrative Office of the Courts. There could be some minor court impact for a new type of order and additional or longer hearings under the original and the substitute bill. It would allow that in cases where the court finds that a vehicle is used as a residence, the court may consider the person's ability to pay towing and impound fees and reduce the fees if they are found indigent. In these cases, DOL must pay the difference between the reduced fees and the tow truck operator's actual costs for the towing and storage.

Part III: Expenditure Detail

III. A - Expenditure By Object or Purpose (State)

NONE

III. B - Expenditure By Object or Purpose (County)

NONE

III. C - Expenditure By Object or Purpose (City)

NONE

III. D - FTE Detail

NONE

III. E - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B1 - Expenditures by Object Or Purpose (State)

NONE

IV. B2 - Expenditures by Object Or Purpose (County)

NONE

IV. B3 - Expenditures by Object Or Purpose (City)

NONE

IV. C - Capital Budget Breakout

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

NONE

184,320.00

Form FN (Rev 1/00)

Individual State Agency Fiscal Note

| | | |
|-------------------------------|--|---|
| Bill Number: 5730 S SB | Title: Vehicle residences/impound | Agency: 100-Office of Attorney General |
|-------------------------------|--|---|

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.

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: Melissa Van Gorkom | Phone: 360-786-7491 | Date: 02/17/2023 |
| Agency Preparation: Amy Flanigan | Phone: 509-456-3123 | Date: 02/21/2023 |
| Agency Approval: Edd Giger | Phone: 360-586-2104 | Date: 02/21/2023 |
| OFM Review: Cheri Keller | Phone: (360) 584-2207 | Date: 02/21/2023 |

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.

1. The Attorney General's Office (AGO) Government Compliance & Enforcement Division (GCE) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the Washington State Patrol (WSP). GCE provides litigation support to WSP for impound hearings. This bill would amend RCW 46.55.120 to allow persons who otherwise don't meet the statutory criteria to redeem a vehicle to do so if authorized by a court after an impound hearing. If ownership or authorization to use, reside in, or redeem a vehicle is disputed, it would allow a court to review additional information and to continue the hearing to allow the person an opportunity to file the appropriate paperwork with the Department of Licensing (DOL). This bill would also allow a court to consider a hearing request filed beyond the 10-day timely filing deadline if the vehicle was being used as a residence. If a petitioner was found to be indigent and the vehicle was being used as a residence, this bill would allow a court to reduce the amount of towing and storage fees and would require DOL to pay the difference between the reduced fees and the tow operator's actual costs for towing and storage. In this version of the bill, the tow operator could apply to the department of licensing's abandoned recreational vehicle disposal and indigent impound account to seek reimbursement for any fees ordered payable by DOL as a result the petitioner's inability to pay, and DOL must seek reimbursement from the impounding agency for any cost reimbursement paid to the tow operator using funds from the abandoned recreational vehicle disposal and indigent impound account.

GCE does not anticipate that the expansion of standing to seek a hearing or the extension of the filing deadline would result in any increased work, as those issues are already commonly raised during hearings. Additionally, under the Washington State Supreme Court's recent decision in *City of Seattle v. Long*, a court could already return a vehicle to a petitioner without payment of fees under the Homestead Act if the vehicle was being used as the petitioner's residence, and a court could also reduce a petitioner's fees if the court determined the fees were in violation of the eighth amendment excessive fines provision. Therefore, although this bill would shift towing and storage costs to WSP whenever a petitioner was found to be indigent and the vehicle was being used as a residence, GCE does not anticipate that it would result in the need for any appreciable increased litigation support for this client. New legal services are nominal and costs are not included in this request.

2. The AGO Licensing & Administrative Law Division (LAL) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the Department of Licensing (DOL). The enactment of this bill will not impact LAL's provision of legal services to DOL as the bill allows for a tow truck operator to apply to the department for reimbursement on the difference between any court ordered reduced fees/costs and the actual costs for towing and storage of an impounded vehicle which is used as a residence. The moneys are to come from the abandoned recreational vehicle disposal fund, for which DOL already has an existing system in place. The enactment of this bill may require some advice, rulemaking or litigation. However, new legal services are nominal and costs are not included in this request.

3. The AGO Solicitor General's Office (SGO) has reviewed this bill and determined it will not significantly increase or decrease the division's workload. New legal services are nominal and costs are not included in this request.

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.

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

| | | |
|-------------------------------|--|--|
| Bill Number: 5730 S SB | Title: Vehicle residences/impound | Agency: 225-Washington State Patrol |
|-------------------------------|--|--|

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

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

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: Melissa Van Gorkom | Phone: 360-786-7491 | Date: 02/17/2023 |
| Agency Preparation: Thomas Bohon | Phone: (360) 596-4044 | Date: 02/22/2023 |
| Agency Approval: Mario Buono | Phone: (360) 596-4046 | Date: 02/22/2023 |
| OFM Review: Tiffany West | Phone: (360) 890-2653 | Date: 02/22/2023 |

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.

There is an indeterminate fiscal impact to the Washington State Patrol (WSP).

Subsection 1(3)(c)(ii) states if the court finds that a vehicle is used as a residence, the courts may reduce fees related to towing and impound if the individual is found to be indigent. The Department of Licensing (DOL) must pay the difference between the reduced fees and the tow operator's actual costs for towing and storage.

Subsection 2(3) states DOL must seek reimbursement from the impounding authority for any cost reimbursement paid to a registered tow truck operator using funds authorized under RCW 46.68.175.

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.

NONE

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.

WSP is responsible for towing vehicles along state highways. Subsection 2(3) states DOL must seek reimbursement from the impounding authority for any cost reimbursement paid to a registered tow truck operator using funds authorized under RCW 46.68.175. This means that WSP will be responsible for reimbursing DOL for the difference in the costs related to an impound of a residential vehicle and the reduced rate authorized by the court whenever the petitioner is found to be indigent, even when the impound is lawful. This has an indeterminate fiscal impact, as we are unable to estimate how often courts will reduce fines associated with vehicles we impounded.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

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

III. B - Expenditures by Object Or Purpose

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

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

| | | |
|-------------------------------|--|--|
| Bill Number: 5730 S SB | Title: Vehicle residences/impound | Agency: 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 | 0.0 | 3.0 | 1.5 | 3.0 | 3.0 |
| Account | | | | | |
| Abandoned Recreational Vehicle Disposal Account-State 22J-1 | 335,000 | 304,000 | 639,000 | 608,000 | 608,000 |
| Total \$ | 335,000 | 304,000 | 639,000 | 608,000 | 608,000 |

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: Melissa Van Gorkom | Phone: 360-786-7491 | Date: 02/17/2023 |
| Agency Preparation: Don Arlow | Phone: (360) 902-3736 | Date: 02/23/2023 |
| Agency Approval: Gerrit Eades | Phone: (360)902-3863 | Date: 02/23/2023 |
| OFM Review: Kyle Siefering | Phone: (360) 995-3825 | Date: 02/23/2023 |

Part II: Narrative Explanation

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

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

Please see attached fiscal note.

II. B - Cash receipts Impact

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

Please see attached fiscal note.

II. C - Expenditures

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

Please see attached fiscal note.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

| Account | Account Title | Type | FY 2024 | FY 2025 | 2023-25 | 2025-27 | 2027-29 |
|-----------------|---|-------|---------|---------|---------|---------|---------|
| 22J-1 | Abandoned Recreational Vehicle Disposal Account | State | 335,000 | 304,000 | 639,000 | 608,000 | 608,000 |
| Total \$ | | | 335,000 | 304,000 | 639,000 | 608,000 | 608,000 |

III. B - Expenditures by Object Or Purpose

| | FY 2024 | FY 2025 | 2023-25 | 2025-27 | 2027-29 |
|--------------------------------------|---------|---------|---------|---------|---------|
| FTE Staff Years | | 3.0 | 1.5 | 3.0 | 3.0 |
| A-Salaries and Wages | | 152,000 | 152,000 | 304,000 | 304,000 |
| B-Employee Benefits | | 69,000 | 69,000 | 138,000 | 138,000 |
| C-Professional Service Contracts | | | | | |
| E-Goods and Other Services | 335,000 | 83,000 | 418,000 | 166,000 | 166,000 |
| 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 \$ | 335,000 | 304,000 | 639,000 | 608,000 | 608,000 |

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 | | 1.0 | 0.5 | 1.0 | 1.0 |
| Customer Service Specialist 3 | 49,404 | | 1.0 | 0.5 | 1.0 | 1.0 |
| Fiscal Analyst 2 | 55,872 | | 1.0 | 0.5 | 1.0 | 1.0 |
| Total FTEs | | | 3.0 | 1.5 | 3.0 | 3.0 |

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.

Individual State Agency Fiscal Note

Agency 240 – Department of Licensing

Bill Number: SSB 5730

Bill Title: Vehicle residences/impound

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 | 1.5 | 3.0 | 3.0 |

| Operating Expenditures | Fund | FY 24 | FY 25 | 23-25 Total | 25-27 Total | 27-29 Total |
|--------------------------------|------|----------------|----------------|----------------|----------------|----------------|
| Abandoned Rec Vehicle Disposal | 22J | 335,000 | 304,000 | 639,000 | 608,000 | 608,000 |
| Account Totals | | 335,000 | 304,000 | 639,000 | 608,000 | 608,000 |

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: Melissa Van Gorkom | Phone: (360) 786-7491 | Date: 2/17/2023 |
| Agency Preparation: Don Arlow | Phone: (360) 902-3736 | Date: 2/23/2023 |
| Agency Approval: Gerrit Eades | Phone: (360) 902-3931 | Date: |

| | |
|-----------|----------|
| Request # | 1 |
| Bill # | 5730 SSB |

Part 2 – Explanation

This bill requires the Department of Licensing (DOL) to pay the difference between a tow operator's actual costs for towing and storage of an impounded vehicle and any amount determined by the court that an indigent person must pay if the court finds that the vehicle is used as a residence. Payment is made to the registered tow truck operator (RTTO) that incurred the costs.

SSB 5730 compared to SB 5730: SSB 5730 renames the Abandoned Recreational Vehicle Disposal Account to the Abandoned Recreational Vehicle Disposal and Indigent Impound Account. The bill also requires DOL to seek reimbursement from the impounding authority for any cost reimbursement paid to RTTOs and deposit any repayments into that account. With these changes, DOL's fiscal note increases the cost for information technology systems modifications, adds operational costs, and remains indeterminate for cash receipts.

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

Section 1 amends RCW 46.55.120 to require that DOL pay the difference between a tow operator's actual costs for towing and storage of an impounded vehicle and any amount determined by the court that an indigent person must pay if the court finds that the vehicle is used as a residence.

Section 2 adds a new section to Chapter 46.53 RCW. This section:

- Allows registered tow truck operators authorities to apply to DOL for reimbursement if courts reduce towing and storage fees for an indigent individual using the vehicle as a residence. DOL must create and provide the form. Reimbursement is for the difference in reduced fees and actual costs for towing and storage.
- DOL may only use funds authorized under RCW 46.68.175 for reimbursement.
- Requires DOL to seek reimbursement from the impounding authority for any cost reimbursement paid to a RTTO under this bill. Any repayment made by the impounding authority will be deposited in the Abandoned Recreational Vehicle Disposal and Indigent Impound Account.

Section 3 amends RCW 46.68.175 to rename the Abandoned Recreational Vehicle Disposal Account to the Abandoned Recreational Vehicle Disposal and Indigent Impound Account and expands allowable use of the expenditures from the account to include expenditures for reimbursing impounding authorities as provided in the bill.

2.B - Cash receipts Impact

The cash receipts impact of the bill is indeterminate. The department does not have information that could be used to estimate the number of vehicles that may be subject to the provisions of the bill, and therefore does not have an estimate for collections from impounding authorities that could be anticipated. Although 100 percent compliance from impounding authorities is assumed, any instances of failure to reimburse the fund for disbursements to tow truck operators would result in a reduction of the fund balance.

The bill would also allow a court to extend a stay on the sale of an impounded vehicle used as a residence, and decrease the fees based on financial hardship of the registered owner. This is likely to

decrease the total number of abandoned vehicles sold at auction, which will result in an indeterminate decrease to revenue collected from excess proceeds of auctioned abandoned vehicles.

2.C – Expenditures

The operational impact of the bill is dependent on the volume of new transactions related to impounded vehicle reimbursements. The following table shows the number of vehicles with an impound notice or abandoned vehicle report submitted during calendar years 2018 - 2022. It is not known how many of those vehicles would be considered as residences and subject to the provisions of the bill.

| Impound Requester | Number of Vehicles Impounded | | | | |
|-------------------------|------------------------------|----------------|---------------|----------------|----------------|
| | 2018 | 2019 | 2020 | 2021 | 2022 |
| Washington State Patrol | 41,100 | 42,200 | 37,100 | 43,500 | 45,500 |
| Other law enforcement | 50,300 | 50,100 | 39,400 | 45,100 | 51,200 |
| Other | 17,300 | 16,800 | 13,100 | 15,700 | 16,100 |
| Grand Total | 108,700 | 109,100 | 89,600 | 104,300 | 112,800 |

DOL will establish operational capacity to manage the new workflow, modelled on current capacity for abandoned RV reimbursements. It takes approximately 15 minutes of CSS2 staff time to process an application. A higher level CSS3 is required under the department's two step protocol for review and approval of reimbursement requests.

- One Customer Service Specialist 2 (CSS2) staff for processing applications.
- Customer Specialist 3 (CSS3) staff for approving applications and disbursements and process oversight.
- One Fiscal Analyst 2 (FA2) position in accounting to manage both disbursements to tow truck operators and accounts receivable from impounding authorities.

The department will monitor actual activity and operational capacity to manage the workflow. If necessary additional resources will be requested in a future budget cycle.

Reimbursements made from the Abandoned Recreational Vehicle Disposal Account are also subject to the volume of requests submitted under the provisions of the bill. That volume is unknown, as is what a typical reduction of costs as determined by the court would be, therefore the level of reimbursements from the fund are indeterminate. Under current law DOL reimburses for towing, storage, and wrecking of recreational vehicles abandoned on public property when ownership cannot be determined.

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 | 45,200 | - | - | - | - | - | 45,200 |
| 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 | 9,900 | - | - | - | - | - | 9,900 |
| PROJECT MANAGER | Manage schedule and contracts | \$ 28,710 | 14,400 | - | - | - | - | - | 14,400 |
| QUALITY ASSURANCE | Plan and carry out activities to assure project deliverables; e.g. preventative defect activities, align quality measures and business objectives. | \$ 37,410 | 67,300 | - | - | - | - | - | 67,300 |
| 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 | 5,000 | - | - | - | - | - | 5,000 |
| CONTRACTED FAST DEVELOPER / TESTER | Updates to the DRIVES system will require additional vendor hours outside of the contracted maintenance to make system updates to implement this bill. | \$ 37,236 | 81,900 | - | - | - | - | - | 81,900 |
| Trainer | Trains business partners and employees in new system processes and capabilities. | \$ 22,620 | 13,600 | - | - | - | - | - | 13,600 |
| Organizational Change Management | Prepares stakeholders for the change and develops strategies to ensure the changes are fully adopted. | \$ 37,410 | 67,300 | - | - | - | - | - | 67,300 |
| Project Contingency | Office of the Chief Information Officer designated rate of 10% | \$ 25,474 | 30,500 | - | - | - | - | - | 30,500 |
| Totals | | | 335,100 | - | - | - | - | - | 335,100 |

What DOL will implement:

Licensing - Compliance - Accounts - Cases

1. Create a new account type for reimbursement from impounding authorities.
2. Modify the current case to process the application for reimbursement for this process separate from the existing reimbursement program.
 - a. Case will be approved or denied.
 - b. Forms can be uploaded and entered by back office for mail-in applications.

Letters - Renewal Notices - Receipts - Cashiering Receipts

3. New letters for response to application process.
 - a. Request for More Information
 - b. Denial
 - c. Approval-Pending Funds
 - d. Initial Notice of amounts owed.
 - e. Final Notice of amounts owed.

Financials

4. New billing process in DRIVES that requires RTTO to provide the impounding authority.
5. New billing process in DRIVES for LEA

Reports

6. Modify or create a new reports.
 - a. Revenue tracking cube
 - b. ADHOC cube for program
 - c. RTTO report (self-service for RTTOs to pull from eService)
 - d. Amount owed by each Impounding Authority

eServices

7. Modify current eService to allow for registered tow truck operators to apply online for reimbursements of impound fees for indigent individuals.
 - a. Must be licensed in Washington and have an account in DRIVES,
 - b. Will create work item for processing the request.
 - c. Will use SAW and require online account.
 - d. Allows for upload of paper forms or electronic entry of application by the RTTO.
 - e. Allows for the upload of supporting documentation.

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 |
|--------------------------------|------|----------------|----------------|----------------|----------------|----------------|
| Abandoned Rec Vehicle Disposal | 22J | 335,000 | 304,000 | 639,000 | 608,000 | 608,000 |
| Account Totals | | 335,000 | 304,000 | 639,000 | 608,000 | 608,000 |

3.B – Expenditures by Object or Purpose

| Object of Expenditure | FY 24 | FY 25 | 23-25 Total | 25-27 Total | 27-29 Total |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|
| FTE Staff Years | 0.0 | 3.0 | 1.5 | 3.0 | 3.0 |
| Salaries and Wages | - | 152,000 | 152,000 | 304,000 | 304,000 |
| Employee Benefits | - | 69,000 | 69,000 | 138,000 | 138,000 |
| Goods and Services | 335,000 | 83,000 | 418,000 | 166,000 | 166,000 |
| Total By Object Type | 335,000 | 304,000 | 639,000 | 608,000 | 608,000 |

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 | 1.0 | 0.5 | 1.0 | 1.0 |
| Fiscal Analyst 2 | 55,872 | 0.0 | 1.0 | 0.5 | 1.0 | 1.0 |
| Customer Service Specialist 3 | 49,404 | 0.0 | 1.0 | 0.5 | 1.0 | 1.0 |
| Total FTE | | 0.0 | 3.0 | 1.5 | 3.0 | 3.0 |

Part 4 – Capital Budget Impact

None.

Part 5 – New Rule Making Required

None.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5730 S SB

Title: Vehicle residences/impound

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

Legislation Impacts:

Cities: Local law-enforcement agencies could experience indeterminate cost increases due to the legislation's new mandate: vehicle-impounding agencies would be required to pay the cost difference between a vehicle owner's reduced vehicle-impound fees and the tow-truck operator's actual costs for towing and storing impounded vehicles. Municipal clerks could experience indeterminate cost increases due to potentially increasing the length and number of vehicle-impound hearings or additional court proceedings.

Counties: Same as above but for sheriff's offices and county clerks.

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: The number of vehicles local law-enforcement agencies will impound the number of additional court proceedings that will be granted; the additional length of time vehicle-impound hearings may require; and the total annual amount local law-enforcement agencies will be responsible for paying due to courts reducing vehicle-impound fees.

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

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

Part III: Preparation and Approval

| | | |
|--|-----------------------|------------------|
| Fiscal Note Analyst: Kate Fernald | Phone: 564-200-3519 | Date: 02/23/2023 |
| Leg. Committee Contact: Melissa Van Gorkom | Phone: 360-786-7491 | Date: 02/17/2023 |
| Agency Approval: Alice Zillah | Phone: 360-725-5035 | Date: 02/23/2023 |
| OFM Review: Kyle Siefering | Phone: (360) 995-3825 | Date: 02/23/2023 |

Part IV: Analysis

A. SUMMARY OF BILL

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

Sec. 1 amends RCW 46.55.120.

Sec. 1 (1) (B) allows the court to set aside a hearing for up to 15 business days if a person is unable to present sufficient evidence to show they are the legal or registered owner to redeem the vehicle. If a claimant files a claim under RCW 46.12.680 during this additional time, a court may grant an additional continuance until that legal proceeding has ended.

Sec. 1 (2) (b) allows the court to consider a late request for an impound hearing for good cause when the vehicle is used as a residence and the request is made more than five days before the date of the auction.

Sec. 1 (3) (c) (ii) allows the court to reduce the vehicle owner's towing and storage fees if the court finds the vehicle is used as a residence. Department of Licensing (DOL) must pay the difference between the reduced fees and tow truck operator's actual costs for the towing and storage.

Sec. 2 adds a new section to chapter 46.53 RCW.

Sec. 2 (3) states the DOL must seek reimbursement from the impounding authority for any cost reimbursement paid to a registered tow truck operator using funds authorized under RCW 46.68.175. Any repayment made by an impounding authority to the department must be deposited into the abandoned recreational vehicle disposal and indigent impound account created under RCW 46.68.175.

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.

The legislation could result in indeterminate expenditure increases for local law-enforcement agencies, and municipal and county clerks.

LOCAL LAW ENFORCEMENT

Local law-enforcement agencies could experience indeterminate cost increases due to the legislation's new mandate: vehicle-impounding agencies would be required to pay the cost difference between a vehicle owner's reduced vehicle-impound fees and the tow-truck operator's actual costs for towing and storing impounded vehicles, according to the Washington Association of Sheriffs and Police Chiefs (WASPC).

For example, a local law-enforcement agency impounds a vehicle. Then, the court decides to reduce the vehicle owner's impound fees. If there is a cost difference between the vehicle-owner's reduced fee and the tow-truck operator's actual costs for towing and storing the vehicle, then the local law enforcement agency that impounded the vehicle would be responsible for paying the cost difference. However, the number of impounded vehicles that may receive a fee reduction cannot be predicted in advance, nor can the total cost difference local law-enforcement agencies may have to pay, so the magnitude of this expenditure impact is indeterminate.

To provide a sense of the number of vehicles local law-enforcement agencies impound each year, Washington State Department of Licensing (DOL) provided local law-enforcement-initiated vehicle-impound data for the last five years. Please note DOL's data is approximate. Vehicles are impounded at the request of: local law-enforcement agencies, Washington State Patrol, businesses and private individuals. DOL used pattern matching to identify requesters that were likely local law-enforcement agencies. Values are rounded to the nearest 100 due to the error inherent in pattern matching text entries that can have typos.

Local law enforcements' approximate number of impounded vehicles by calendar year:

2018: 50,300 vehicles
2019: 50,100 vehicles
2020: 39,400 vehicles
2021: 45,100 vehicles
2022: 51,200 vehicles

MUNICIPAL and COUNTY CLERKS

Municipal and county clerks could experience indeterminate cost increases due to potentially increasing the number of court proceedings and potentially increasing the length of time vehicle-impound hearings require, according to the Association of Washington Cities and Washington Association of County Officials.

The legislation has the potential to increase courts' caseloads. The legislation would allow courts to grant additional proceedings under certain circumstances, which could increase the total number of court proceedings each year. Additionally, the legislation provides courts a new option to reduce vehicle-impound fees, which potentially extends the total time required for vehicle-impound hearings. While the Administrative Office of the Courts (AOC) anticipates a de minimis cost impact to courts, AOC is not able to project an exact caseload forecast due to unpredictable elements including the number of additional proceedings courts will grant, and the additional length of time vehicle-impound hearings may require. Accordingly, municipal and county clerks' potential cost impacts are indeterminate at this time.

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.

The legislation would not impact local government revenue.

SOURCES:

Administrative Office of the Courts
Association of Washington Cities
Department of Licensing
Washington Association of County Officials
Washington Association of Sheriffs and Police Chiefs