

Multiple Agency Fiscal Note Summary

Bill Number: 5504 S SB	Title: Open vehicle safety recalls
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Estimated Cash Receipts

NONE

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	.0	0	0	0	.0	0	0	0	.0	0	0	0
Washington State Patrol	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Licensing	.0	0	0	180,000	.0	0	0	0	.0	0	0	0
Total \$	0.0	0	0	180,000	0.0	0	0	0	0.0	0	0	0

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
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

Prepared by: Kyle Siefering, OFM	Phone: (360) 995-3825	Date Published: Final 3/ 8/2023
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Individual State Agency Fiscal Note

Bill Number: 5504 S SB	Title: Open vehicle safety recalls	Agency: 100-Office of Attorney General
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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.

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: 03/03/2023
Agency Preparation: Chad Standifer	Phone: 3605863650	Date: 03/08/2023
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 03/08/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 03/08/2023

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 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.

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). This bill requires DOL to inform vehicle owners of outstanding vehicle recall notices. It does not require DOL to take any further action against a vehicle registration if there are outstanding vehicle recall notices associated with a particular vehicle. Any advice needed relating to implementing the new statutory requirements for recall notifications will be minimal. 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: 5504 S SB	Title: Open vehicle safety recalls	Agency: 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.

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: 03/03/2023
Agency Preparation: Kendra Sanford	Phone: 360-596-4080	Date: 03/06/2023
Agency Approval: Mario Buono	Phone: (360) 596-4046	Date: 03/06/2023
OFM Review: Tiffany West	Phone: (360) 890-2653	Date: 03/06/2023

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 substitute version clarifies the Department of Licensing notification requirements of open safety recalls. These changes do not change our fiscal assumptions stated in the original version.

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

Bill Number: 5504 S SB	Title: Open vehicle safety recalls	Agency: 240-Department of Licensing
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

		FY 2024	FY 2025	2023-25	2025-27	2027-29
Account						
Motor Vehicle Account-State 108		180,000	0	180,000	0	0
-1						
Total \$		180,000	0	180,000	0	0

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

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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: 03/03/2023
Agency Preparation: Aaron Harris	Phone: (360) 902-3795	Date: 03/08/2023
Agency Approval: Gerrit Eades	Phone: (360)902-3863	Date: 03/08/2023
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 03/08/2023

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.

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
108-1	Motor Vehicle Account	State	180,000	0	180,000	0	0
Total \$			180,000	0	180,000	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services	180,000		180,000		
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 \$	180,000	0	180,000	0	0

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

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Agency 240 – Department of Licensing

Bill Number: 5504 SSB

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
Account Totals		-	-	-	-	-

Estimated Expenditures:

		FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
FTE Staff Years		-	-	-	-	-
Operating Expenditures	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Motor Vehicle	108	180,000	-	180,000	-	-
Account Totals		180,000	-	180,000	-	-

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:	Phone: (360) 786-7285	Date:
Agency Preparation: Aaron Harris	Phone: (360) 902-3795	Date: 3/8/23
Agency Approval: Gerrit Eades	Phone: (360) 902-3931	Date: 3/8/23

Request #	1
Bill #	5504 SSB

Part 2 – Explanation

This bill requires vehicle inspectors to provide written notice to vehicle owners of any open safety recalls. The Department of Licensing must also provide written notice of any open safety recalls at the time of initial registration and with any renewal notice sent to a vehicle owner.

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.
- 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 to the owner at the time of registration, as well as in any renewal notice sent to the owner.
- Written notice must include a statement that the vehicle has one or more open safety recalls that may be repaired at no cost by the manufacturer.

Section 4: Effective date July 1, 2024.

SB 5504 compared to SSB 5504:

- Modifies liability language in Section 2.
- Reduces the level of detail required in a written safety recall notice as described in Section 3.
- Eliminates the specific timeline for open safety notices to be included in renewal notices.
- Removes the requirement that a vehicle owner must remedy their safety recall before being able to renew their vehicle registration. No self-attestation or exemption is required to proceed with renewal or registration.
- Adds new liability limitation language in Section 3.

2.B - Cash receipts Impact

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

No revenue impacts. This bill would not create or modify fees collected by the Department of Licensing (DOL). This version of the bill has removed the requirement of vehicle registrants to state that all open vehicle recalls have been resolved before registering a vehicle, because of this change DOL revenues will not be impacted by this legislation.

2.C – Expenditures

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).
3. New logic to call NHTSA during email\renewal notice process (with and without violations). New job inserted into the process.

Letters:

4. Create new message if a safety recall match is found when processing email renewal notices.

eServices:

5. New logic to conduct an inquiry for safety defect when processing online Renews. (Real Time)
New logic to conduct an inquiry for safety defect when processing online Renews. (Real Time)
6. Create new “Safety Recall” warning in DRIVES for matching VINs when an open recall is found during ePermit? If so hours: (Real Time)

Reporting:

7. Standard Report hours:
 1. Renewal of recall notices sent to customers.
 - i. Models’ year make type.

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	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	11,500	-	-	-	-	-	11,500
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	78,200	-	-	-	-	-	78,200
Trainer	Trains business partners and employees in new system processes and capabilities.	\$ 22,620	13,600	-	-	-	-	-	13,600
Project Contingency	Office of the Chief Information Officer designated rate of 10%	\$ 25,474	16,300	-	-	-	-	-	16,300
Totals			179,700	-	-	-	-	-	179,700

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	180,000	-	180,000	-	-
Account Totals		180,000	-	180,000	-	-

3.B – Expenditures by Object or Purpose

Object of Expenditure	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Goods and Services	180,000	-	180,000	-	-
Total By Object Type	180,000	-	180,000	-	-

3.C – FTE Detail

Staffing	Salary	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
	Total FTE	0.0	0.0	0.0	0.0	0.0

Part 4 – Capital Budget Impact

None.

Part 5 – New Rule Making Required

None.