

Multiple Agency Fiscal Note Summary

Bill Number: 1906 HB	Title: Vessel length/nonresident
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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
Department of Licensing	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total \$	0	0	0	0	0	0	0	0	0

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
Department of Revenue	Fiscal note not available											
Department of Licensing	.0	18,000	18,000	18,000	.0	0	0	0	.0	0	0	0
Total \$	0.0	18,000	18,000	18,000	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
Department of Revenue	Fiscal note not available								
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

NONE

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Prepared by: Kyle Siefering, OFM	Phone: (360) 995-3825	Date Published: Preliminary 1/ 6/2024
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Individual State Agency Fiscal Note

Bill Number: 1906 HB	Title: Vessel length/nonresident	Agency: 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
Account					
General Fund-State 001-1	0	18,000	18,000	0	0
Total \$	0	18,000	18,000	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.

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: Michael Hirsch	Phone: 360-786-7195	Date: 01/02/2024
Agency Preparation: Don Arlow	Phone: (360) 902-3736	Date: 01/05/2024
Agency Approval: Collin Ashley	Phone: (564) 669-9190	Date: 01/05/2024
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 01/06/2024

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 amends RCW 88.02.620 to change the maximum vessel length from 200 feet to 300 feet for purposes of a nonresident vessel permit.

Section 2 states that section 1 of the bill expires January 1, 2029.

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.

INDETERMINATE; 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.

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
001-1	General Fund	State	0	18,000	18,000	0	0
Total \$			0	18,000	18,000	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		18,000	18,000		
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 \$	0	18,000	18,000	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: HB 1906

Bill Title: Vessel length/nonresident

Part 1: Estimates

No Fiscal Impact

Estimated Cash Receipts:

INDETERMINATE; PLEASE SEE NARRATIVE

Estimated Expenditures:

Operating Expenditures	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
General Fund	001	-	18,000	18,000	-	-
Account Totals		-	18,000	18,000	-	-

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.

Totals may vary due to rounding.

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: Michael Hirsch	Phone: (360) 786-7195	Date: 1/2/2024
Agency Preparation: Don Arlow	Phone: (360) 902-3736	Date: 1/5/2024
Agency Approval: Collin Ashley	Phone: (360) 634-5384	Date: 1/5/2024

Request #	1
Bill #	1906 HB

Part 2 – Explanation

This bill modifies provisions related to the vessel length requirement when obtaining a nonresident vessel permit.

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

Section 1 amends RCW 88.02.620 to change the maximum vessel length from 200 feet to 300 feet for purposes of a nonresident vessel permit.

Section 2 states that section 1 of the bill expires January 1, 2029.

2.B - Cash receipts Impact

DOL cash receipts are indeterminate but expected to be minimal. Changes in the bill will increase the number of vessels that are required to obtain a nonresident vessel permit. However, it is unknown how many vessels there will be subject to the 300 feet provision. The increase in revenue collections by DOL is anticipated to be minimal and less than \$5,000 annually.

Current fee structure, from RCW 88.02.640

5)(a) The amount of the nonresident vessel permit fee is:

- (i) For a vessel owned by a nonresident natural person, twenty-five dollars; and
- (ii) For a nonresident vessel owner that is not a natural person, the fee is equal to:
 - (A) Twenty-five dollars per foot for vessels between thirty and ninety-nine feet in length;
 - (B) Thirty dollars per foot for vessels between one hundred and one hundred twenty feet in length; and
 - (C) Thirty-seven dollars and fifty cents per foot for vessels between one hundred twenty-one and two hundred feet in length. The fee must be multiplied by the extreme length of the vessel in feet, rounded up to the nearest whole foot.

2.C – Expenditures

The department expects impacts that including updates to the website and training materials, and managing additional calls to the Customer Service Center. For this bill these impacts are expected to be minor and can get managed within existing appropriations.

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.	\$ 27,144	-	2,700	-	-	-	-	2,700
BUSINESS ANALYST	Determine business requirements; translate requirements into what changes are needed to various systems including account codes, inventory codes, testing considerations, etc.	\$ 19,836	-	2,000	-	-	-	-	2,000
PROJECT MANAGER	Manage schedule and contracts	\$ 34,452	-	3,400	-	-	-	-	3,400
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.	\$ 19,836	-	2,000	-	-	-	-	2,000
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	-	3,700	-	-	-	-	3,700
Trainer	Trains business partners and employees in new system processes and capabilities.	\$ 27,144	-	2,700	-	-	-	-	2,700
Project Contingency	Office of the Chief Information Officer designated rate of 10%	\$ 29,824	-	1,700	-	-	-	-	1,700
Totals			-	18,200	-	-	-	-	18,200

What DOL will implement:

1. Modify DRIVES to change the vessel maximum length of the Non-resident Vessel Out of State permit from 200 feet to 300 feet.
2. Add an end date of December 31, 2029.

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
General Fund	001	-	18,000	18,000	-	-
Account Totals		-	18,000	18,000	-	-

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	0.0	0.0	0.0	0.0
Goods and Services	-	18,000	18,000	-	-
Total By Object Type		-	18,000	18,000	-

3.C – FTE Detail

None.

Part 4 – Capital Budget Impact

None.

Part 5 – New Rule Making Required

None.



Ten-Year Analysis

Bill Number 1906 HB	Title Vessel length/nonresident	Agency 240 Department of Licensing
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

Estimated Cash Receipts

Name of Tax or Fee	Acct Code											
Total												

Biennial Totals

Narrative Explanation (Required for Indeterminate Cash Receipts)

DOL cash receipts are indeterminate but expected to be minimal. Changes in the bill will increase the number of vessels that are required to obtain a nonresident vessel permit. However, it is unknown how many vessels there will be subject to the 300 feet provision. The increase in revenue collections by DOL is anticipated to be minimal ; less than \$5,000 per fiscal year. Current forecast for 0-200 ft is about \$7,000 per year.

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