

Multiple Agency Fiscal Note Summary

Bill Number: 1963 HB	Title: License plate covers
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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 Transportation	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
Washington State Patrol	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Licensing	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Transportation	Non-zero but indeterminate cost and/or savings. Please see discussion.											
Total \$	0.0	0	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									
Loc School dist-SPI									
Local Gov. Other			52,822						
Local Gov. Total			52,822						

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Washington State Patrol	.0	0	0	.0	0	0	.0	0	0
Department of Licensing	.0	0	0	.0	0	0	.0	0	0
Department of Transportation	.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

Prepared by: Kyle Siefering, OFM	Phone: (360) 995-3825	Date Published: Final 1/9/2024
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Individual State Agency Fiscal Note

Bill Number: 1963 HB	Title: License plate covers	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: Michael Hirsch	Phone: 360-786-7195	Date: 01/02/2024
Agency Preparation: Megan Given	Phone: 360-596-4049	Date: 01/03/2024
Agency Approval: Mario Buono	Phone: (360) 596-4046	Date: 01/03/2024
OFM Review: Tiffany West	Phone: (360) 890-2653	Date: 01/03/2024

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.

There is no fiscal impact to the Washington State Patrol from this legislation.

The proposed legislation adds the following to the list of unlawful acts under RCW 46.16A.200: use of license plate covers that conceal, obstruct, distort, change, alter or make a license plate illegible. It also adds the words "conceal", "obstruct" and "distort" to the conditions that make license plate holders, frames or other materials illegal. Until January 1, 2025, the penalty is only a written warning for illegal use of a license plate cover.

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.

NONE

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: 1963 HB	Title: License plate covers	Agency: 240-Department of Licensing
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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: Michael Hirsch	Phone: 360-786-7195	Date: 01/02/2024
Agency Preparation: Gerrit Eades	Phone: (360) 902-3931	Date: 01/04/2024
Agency Approval: Collin Ashley	Phone: (564) 669-9190	Date: 01/04/2024
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 01/04/2024

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.

This bill makes amendments to statutes prohibiting license plate covers. HB 1963 would prohibit license plate holders, frames, and covers that conceal, obstruct, distort, change, alter or make a plate illegible. This bill also makes the penalty of violating this statute a written warning until January 1, 2025. There is no fiscal impact to DOL. Updates to internal training material and communications can be absorbed within existing resources.

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: 1963 HB	Title: License plate covers	Agency: 405-Department of Transportation
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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:

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: Michael Hirsch	Phone: 360-786-7195	Date: 01/02/2024
Agency Preparation: Jeff Hall	Phone: 206-464-1220	Date: 01/07/2024
Agency Approval: Hillary Badger	Phone: 360-705-7541	Date: 01/07/2024
OFM Review: Maria Thomas	Phone: (360) 229-4717	Date: 01/08/2024

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.

See attached WSDOT 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.

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: HB 1963 **Title:** Prohibiting License Plate Cover **Agency:** 405-Department of Transportation

Part I: Estimates

Check applicable boxes and follow corresponding instructions, use the fiscal template table provided to show fiscal impact by account, object, and program (if necessary), **add rows if needed**. If no fiscal impact, check the box below, skip fiscal template table, and go to Part II to explain briefly, why the program believes there will be no fiscal impact to the department.

No Fiscal Impact (Explain in section II. A)

If a fiscal note is assigned to our agency, someone believes there might be, and we need to address that, showing why there is no impact to the department.

Indeterminate Cash Receipts Impact (Explain in section II. B)

Partially Indeterminate Cash Receipts Impact (Explain in section II. B)

Indeterminate Expenditure Impact (Explain in section II. C)

Partially Indeterminate Expenditure Impact (Explain in section II. C)

If fiscal impact is less 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 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**

Revised

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

Agency Assumptions

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Agency Contacts:

Preparer: Jeff Hall	Phone: 206-464-1228	Date: 01-05-2024
Approval: Ed Barry	Phone: 206-556-0493	Date: 01-05-2024
Budget Manager: Hillary Badger	Phone: 360-705-7541	Date: 01-05-2024

Individual State Agency Fiscal Note

Part II: Narrative Explanation

II. A - Brief description of what the measure does that has fiscal impact.

Briefly describe by section number (sections that will change WSDOT costs or revenue), the significant provisions of the bill, and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency. List the sections that have fiscal impact to WSDOT only. E.g., "Section 3 directs the Department to ..." No summarizing, no interpreting, and save any background context for the revenue and expenditure parts.

The proposed legislation, House Bill (HB)1963, would add a new section to chapter 46.16A RCW prohibiting license plate covers that conceal, obstruct, distort, change, alter, or make a license plate or plates illegible. (Section 7(c)).

If passed, this new provision would have an indeterminate fiscal impact on the department. Because the Washington State Department of Transportation does not specifically track obstructed license plates by what is causing the obstruction (e.g., license plate covers, license plate frames, bike racks, trailers, etc.), it is not possible to determine the fiscal impact of adding license plate covers to the list of unlawful license plate obstructions.

With that, the department has tried to supply a range of fiscal impacts given a range of obstructed plates, which might be related to license plate covers (see below).

II. B – Cash Receipts Impact

Describe the 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. Describe 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. Differentiate between one time and ongoing functions.

The department finds 120,000 obstructed plates each year during the manual image review process. These obstructions prevent WSDOT from pursuing payment for the underlying toll. The manual image review team has found that license plates with covers are not a frequent challenge, compared to other types of obstructions.

Based on an average toll of \$3.11 (fiscal year 2023 average), the department could see an increased cash receipts impact of between \$3,732 and \$18,660 annually.

- 1% of obstructed plates = \$3,732 annually ($0.01 \times 120,000 = 1,200 \times \$3.11 = \$3,732$)
- 5% of obstructed plates = \$18,660 annually ($0.05 \times 120,000 = 6,000 \times \$3.11 = \$18,660$)

The department does not believe that obstructed plates due to license plate covers will exceed 5% of the total obstructed plates each year.

Individual State Agency Fiscal Note

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

If license plate covers are removed, it is indeterminate whether these license plates will need to go through a manual review process. The unobstructed license plates may be associated with an existing customer account and can be directly billed to a customer without the need for manual image review.

For those unobstructed license plates, which still require manual image review, the department could see an increased manual image review costs of between \$300 and \$1,500, based on an average cost of a complete manual image review of \$0.25 (fiscal year 2023 average).

- 1% of obstructed plates = \$300 annually ($0.01 \times 120,000 = 1,200 \times \$0.25 = \$300$)
- 5% of obstructed plates = \$1,500 annually ($0.05 \times 120,000 = 6,000 \times \$0.25 = \$1,500$)

The department does not believe that obstructed plates due to license plate covers will exceed 5% of the total obstructed plates each year.

Part III: Expenditure Detail

III. A - Expenditures by Object or Purpose

N/A

Part IV: Capital Budget Impact

N/A

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

N/A

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 1963 HB	Title: License plate covers
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- Cities: Approximately \$39,328 for local law enforcement officer training on modified traffic infraction, written warning requirement
- Counties: Approximately \$13,494 for local law enforcement officer training on modified traffic infraction, written warning requirement
- Special Districts:
- Specific jurisdictions only:
- Variance occurs due to:

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs: Approximately \$52,822 for local law enforcement officer training on modified traffic infraction, written warning requirement
- Legislation provides local option:
- Key variables cannot be estimated with certainty at this time:

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

Jurisdiction	FY 2024	FY 2025	2023-25	2025-27	2027-29
City	39,328		39,328		
County	13,494		13,494		
TOTAL \$	52,822		52,822		
GRAND TOTAL \$					52,822

Part III: Preparation and Approval

Fiscal Note Analyst: James Vogl	Phone: 360-480-9429	Date: 01/09/2024
Leg. Committee Contact: Michael Hirsch	Phone: 360-786-7195	Date: 01/02/2024
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 01/09/2024
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 01/09/2024

Part IV: Analysis

A. SUMMARY OF BILL

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

Section 1 of the proposed legislation would amend RCW 46.16A.200, clarifying the existing specification that license plate frames may be used only if they meet certain conditions related to the visibility of license plates. The amendments in this section would also specify that license plate covers, in addition to holders and frames, are unlawful if they conceal, obstruct, distort, change, alter or make a license plate illegible.

Section 2 would add a new section to chapter 46.16A RCW, specifying that until January 1, 2025, the penalty for a violation of RCW 46.16A.200 (7) (c) involving license plate covers may only be a written warning, which must include information about the requirements of the law and the penalty after January 1, 2025.

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 proposed legislation would require one-time local government costs of approximately \$52,822

According to the Washington Association of Sheriffs and Police Chiefs (WASPC), all local law enforcement officers would need to go through training regarding the changes this bill would make to an existing traffic infraction, and the requirement to issue written warnings in lieu of infractions for violations involving license plate covers. WASPC estimates that approximately five minutes of training would be required per law enforcement officer. This training would require a one-time cost of \$39,328 for cities and \$13,494 for counties, for a total one-time cost to local governments of \$52,822.

The 2022 Crime in Washington Report conducted by WASPC states that there are 6,647 commissioned officers in police departments and 2,249 commissioned officers in sheriff's departments, for a total of 8,896 commissioned law enforcement employees that would require training. The 2024 Local Government Fiscal Note Program Criminal Justice Cost Model estimates the average hourly salary (including benefits and overhead) for an officer employed by a city to be \$71, and the same figure for an officer employed by a county to be \$72. If every officer in Washington had to complete approximately five minutes of training, the cost to local governments would be:

Cities:

6,647 officers X (1/12) hours X \$71 average hourly salary plus benefits and overhead = \$39,328

Counties:

2,249 officers X (1/12) hours X \$72 average hourly salary plus benefits and overhead = \$13,494

Total:

\$39,328 + \$13,494 = \$52,822

Training materials and time required may differ among different departments, however.

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 proposed legislation would have no impact on local government revenues.

SOURCES:

Crime in Washington Report, 2022

Local Government Fiscal Note Program Criminal Justice Cost Model, 2024

Washington Association of Sheriffs and Police Chiefs