

Multiple Agency Fiscal Note Summary

Bill Number: 5377 SB	Title: Motor vehicle dealers
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Estimated Cash Receipts

Agency Name	2025-27			2027-29			2029-31		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of Attorney General	0	0	164,000	0	0	22,000	0	0	0
Total \$	0	0	164,000	0	0	22,000	0	0	0

Estimated Operating Expenditures

Agency Name	2025-27				2027-29				2029-31			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of Attorney General	.6	0	0	164,000	.2	0	0	22,000	.0	0	0	0
Department of Licensing	.0	0	0	164,000	.0	0	0	22,000	.0	0	0	0
Total \$	0.6	0	0	328,000	0.2	0	0	44,000	0.0	0	0	0

Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Attorney General	.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

NONE

Prepared by: Kyle Siefering, OFM	Phone: (360) 995-3825	Date Published: Final 2/ 3/2025
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Individual State Agency Fiscal Note

Revised

Bill Number: 5377 SB	Title: Motor vehicle dealers	Agency: 100-Office of Attorney General
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2026	FY 2027	2025-27	2027-29	2029-31
Legal Services Revolving Account-State 405-1	82,000	82,000	164,000	22,000	
Total \$	82,000	82,000	164,000	22,000	

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.6	0.6	0.6	0.2	0.0
Account					
Legal Services Revolving Account-State 405-1	82,000	82,000	164,000	22,000	0
Total \$	82,000	82,000	164,000	22,000	0

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Susan Jones	Phone: 360-786-7404	Date: 01/22/2025
Agency Preparation: Amy Flanigan	Phone: 509-456-3123	Date: 02/03/2025
Agency Approval: Leah Snow	Phone: 360-586-2104	Date: 02/03/2025
OFM Review: Rayanna Evans	Phone: (360) 902-0553	Date: 02/03/2025

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 46.96.185. Removes language regarding manufactures that held vehicle dealer license on January 1, 2014.

Section 2: New Section. Bill becomes effective January 1, 2026.

II. B - Cash receipts Impact

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

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

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

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

AGO AGENCY ASSUMPTIONS:

DOL will be billed for non-King County rates:
FY 2026 and FY 2027: \$82,000 for 0.3 Assistant Attorney General FTE (AAG) and 0.2 Paralegal 1 FTE (PL1), which includes direct litigation costs of \$2,000
FY 2028: \$22,000 for 0.1 AAG and 0.1 PL1, which includes direct litigation costs of \$1,000

II. C - Expenditures

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

Attorney General’s Office (AGO) Agency Assumptions:

Legal services associated with the enactment of this bill will begin on July 1, 2025.

Location of staffing is assumed to be in a non-King County office building.

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

Agency administration support FTE are included in the tables. The Management Analyst 5 FTE (MA) is used as a representative classification. An example ratio is for every 1.0 Assistant Attorney General FTE (AAG), the AGO includes 0.5 Paralegal 1 FTE (PL1) and 0.4 MA.

1. Assumptions for the AGO Licensing & Administrative Law Division (LAL) Legal Services for the Department of Licensing (DOL):

The AGO will bill DOL for legal services based on the enactment of this bill. This bill amends RCW 46.96.185(1)(g)(vii) by

deleting the existing exception allowing vehicle manufacturers that held a vehicle dealer license in Washington State on January 1, 2014, to sell vehicles directly to consumers. Repeal of this exception will require DOL to update their operational and compliance processes, with advice from AGO. DOL will also likely need to engage in rulemaking, or other public guidance, on which AGO will advise. LAL will provide 100 AAG hours of advice on implementation and rulemaking in FY 2026 and FY 2027. LAL projects it will provide 50 AAG hours in FY 2028. LAL projects it will be required to defend actions related to the implementation of this bill. LAL anticipates that the manufacturer would challenge how the loss of the exception impacts them once DOL implements the bill. Assuming an effective date of January 1, 2026, LAL projects 400 AAG litigation hours in FY 2026 and FY 2027, 100 AAG litigation hours in FY 2028. FY 2029 and beyond will have minimal impact by LAL. Litigation will result in costs incurred for document copying and production, and court reporters. Workload would decrease after the initial implementation litigation period.

LAL: Total non-King County workload impact:

FY 2026 and FY 2027: \$82,000 for 0.3 AAG and 0.2 PL1, which includes direct litigation costs of \$2,000

FY 2028: \$22,000 for 0.1 AAG and 0.1 PL1, which includes direct litigation costs of \$1,000

2. The AGO Consumer Protection Division (CPR) has reviewed this bill and determined it will not increase or decrease the division's workload. This bill removes an exemption that currently permits any manufacturer that falls within the exemption to compete with new motor vehicle dealers. CPR assumes that, should this exemption be removed, any affected manufacturer would abide by the law rather than attempt to sell vehicles illegally. Therefore, no costs are included in this request.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
405-1	Legal Services Revolving Account	State	82,000	82,000	164,000	22,000	0
Total \$			82,000	82,000	164,000	22,000	0

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.6	0.6	0.6	0.2	
A-Salaries and Wages	56,000	56,000	112,000	15,000	
B-Employee Benefits	17,000	17,000	34,000	5,000	
E-Goods and Other Services	9,000	9,000	18,000	2,000	
Total \$	82,000	82,000	164,000	22,000	0

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

Job Classification	Salary	FY 2026	FY 2027	2025-27	2027-29	2029-31
Assistant Attorney General	132,912	0.3	0.3	0.3	0.1	
Management Analyst 5	98,040	0.1	0.1	0.1	0.1	
Paralegal 1	71,148	0.2	0.2	0.2	0.1	
Total FTEs		0.6	0.6	0.6	0.2	0.0

III. D - Expenditures By Program (optional)

Program	FY 2026	FY 2027	2025-27	2027-29	2029-31
Licensing & Administrative Law Division (LAL)	82,000	82,000	164,000	22,000	
Total \$	82,000	82,000	164,000	22,000	

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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

Individual State Agency Fiscal Note

Bill Number: 5377 SB	Title: Motor vehicle dealers	Agency: 240-Department of Licensing
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
Account					
Motor Vehicle Account-State 108 -1	82,000	82,000	164,000	22,000	0
Total \$	82,000	82,000	164,000	22,000	0

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

☐

If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

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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: Susan Jones	Phone: 360-786-7404	Date: 01/22/2025
Agency Preparation: Gina Rogers	Phone: 360-634-5036	Date: 02/03/2025
Agency Approval: Collin Ashley	Phone: (564) 669-9190	Date: 02/03/2025
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 02/03/2025

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. – Amends RCW 46.96.185

- Sec. 1 (g)(vii) repeals the ability for manufacturers that held a license in January 1, 2014, to also hold a vehicle dealer's license.

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.

No revenue impacts. Change in statute will only affect one business in Washington. This legislation as drafted will not require system changes, licensing, or investigation costs. This legislation if passed will require one company to choose to either have a manufacturers license or a vehicle dealers license.

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 2026	FY 2027	2025-27	2027-29	2029-31
108-1	Motor Vehicle Account	State	82,000	82,000	164,000	22,000	0
Total \$			82,000	82,000	164,000	22,000	0

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services	82,000	82,000	164,000	22,000	
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 \$	82,000	82,000	164,000	22,000	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: SB 5377

Bill Title: Motor Vehicle Auto Sales

Part 1: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts:

Revenue	Fund	FY 26	FY 27	25-27 Total	27-29 Total	29-31 Total
	Account Totals	-	-	-	-	-

No revenue impacts. Change in statute will only affect one business in Washington. This legislation as drafted will not require system changes, licensing, or investigation costs. This legislation if passed will require one company to choose to either have a manufacturers license or a vehicle dealers license.

Estimated Expenditures:

Operating Expenditures	Fund	FY 26	FY 27	25-27 Total	27-29 Total	29-31 Total
Motor Vehicle	108	82,000	82,000	164,000	22,000	-
	Account Totals	82,000	82,000	164,000	22,000	-

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.

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- ☐ 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)	Date:
Agency Preparation: Gina Rogers	Phone: (360) 634-5036	Date: 2/3/2025
Agency Approval: Collin Ashley	Phone: (360) 634-5384	Date:

Request #	1
Bill #	5377

Part 2 – Explanation

This bill repeals RCW 46.96.185c(1)(g)(vii), which allows manufacturers that held a license in January 1, 2014, to also hold a vehicle dealer's license.

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

Sec. 1. – Amends RCW 46.96.185

- Sec. 1 (g)(vii) repeals the ability for manufacturers that held a license in January 1, 2014, to also hold a vehicle dealer's license.

2.B - Cash receipts Impact

Revenue	Fund	FY 26	FY 27	25-27 Total	27-29 Total	29-31 Total
Account Totals		-	-	-	-	-

No revenue impacts. Change in statute will only affect one business in Washington. This legislation as drafted will not require system changes, licensing, or investigation costs. This legislation if passed will require one company to choose to either have a manufacturers license or a vehicle dealers license.

2.C – Expenditures

Operating Expenditures	Fund	FY 26	FY 27	25-27 Total	27-29 Total	29-31 Total
Motor Vehicle	108	82,000	82,000	164,000	22,000	-
Account Totals		82,000	82,000	164,000	22,000	-

Attorney General Costs and Services:

FY 2026 and FY 2027: \$82,000 for 0.3 AAG and 0.2 PL1, which includes direct litigation costs of \$2,000

FY 2028: \$22,000 for 0.1 AAG and 0.1 PL1, which includes direct litigation costs of \$1,000

Costs for DOL reflect the Office of the Attorney General's fiscal note for amounts anticipated to be billed to DOL.

Part 3 – Expenditure Detail

Operating Expenditures	Fund	FY 26	FY 27	25-27 Total	27-29 Total	29-31 Total
Motor Vehicle	108	82,000	82,000	164,000	22,000	-
Account Totals		82,000	82,000	164,000	22,000	-

3.A – Operating Budget Expenditures

Object E - Description	FY 26	FY 27	25-27 Total	27-29 Total	29-31 Total
EM - Attorney Gen Svcs/Costs	82,000	82,000	164,000	22,000	-
Total Goods & Services	82,000	82,000	164,000	22,000	-

Part 4 – Capital Budget Impact

None.

Part 5 – New Rule Making Required

None.