

Multiple Agency Fiscal Note Summary

Bill Number: 2373 HB	Title: Modifying the requirements for collector vehicle registrations.
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Estimated Cash Receipts

Agency Name	2019-21		2021-23		2023-25	
	GF- State	Total	GF- State	Total	GF- State	Total
Department of Licensing	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Department of Corrections	0	16,986	0	3,584	0	3,696
Total \$	0	16,986	0	3,584	0	3,696

Estimated Operating Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Licensing	.3	0	324,000	.0	0	14,000	.0	0	14,000
Department of Corrections	.0	0	10,728	.0	0	2,280	.0	0	2,334
Total \$	0.3	0	334,728	0.0	0	16,280	0.0	0	16,334

Estimated Capital Budget Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Licensing	.0	0	0	.0	0	0	.0	0	0
Department of Corrections	.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

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Prepared by: Veronica Jarvis, OFM	Phone: (360) 902-0649	Date Published: Final 1/23/2020
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Individual State Agency Fiscal Note

Bill Number: 2373 HB	Title: Modifying the requirements for collector vehicle registrations.	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 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	0.0	0.6	0.3	0.0	0.0
Account					
Motor Vehicle Account-State 108-1	0	324,000	324,000	14,000	14,000
Total \$	0	324,000	324,000	14,000	14,000

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: Christine Thomas	Phone: 360-786-7142	Date: 01/13/2020
Agency Preparation: Merdan Bazarov	Phone: 360-902-3795	Date: 01/21/2020
Agency Approval: Kristin Bettridge	Phone: 360-902-3644	Date: 01/21/2020
OFM Review: Veronica Jarvis	Phone: (360) 902-0649	Date: 01/21/2020

Part II: Narrative Explanation

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

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

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

We do not know how many vehicles will recertify or how many might register/renew on an annual basis rather than remain registered as a collector vehicle, therefore revenue is indeterminate.

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.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
108-1	Motor Vehicle Account	State	0	324,000	324,000	14,000	14,000
Total \$			0	324,000	324,000	14,000	14,000

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years		0.6	0.3		
A-Salaries and Wages		40,000	40,000	2,000	2,000
B-Employee Benefits		16,000	16,000		
C-Professional Service Contracts					
E-Goods and Other Services		268,000	268,000	12,000	12,000
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	324,000	324,000	14,000	14,000

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 2020	FY 2021	2019-21	2021-23	2023-25
Indirect ISD IT Cust. Support - Journey	7,033		0.2	0.1		
Indirect MSS Fiscal Analyst 2	4,509		0.4	0.2		
Total FTEs			0.6	0.3		0.0

III. D - Expenditures By Program (optional)

Program	FY 2020	FY 2021	2019-21	2021-23	2023-25
Mgmt & Support Services (100)		267,000	267,000	12,000	12,000
Information Services (200)		57,000	57,000	2,000	2,000
Total \$		324,000	324,000	14,000	14,000

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

Part V: New Rule Making Required

Individual State Agency Fiscal Note

Agency 240 – Department of Licensing

Bill Number: 2373 HB

Bill Title: Modifying the requirements for collector vehicle registrations

Part 1: Estimates

No Fiscal Impact

Estimated Cash Receipts:

Non-zero but indeterminate cash receipts. Please see discussion

Estimated Expenditures:

Non-zero but partial indeterminate cost. Please see discussion

		FY 20	FY 21	19-21 Total	21-23 Total	23-25 Total
FTE Staff Years		-	0.6	0.3	-	-
Account Name	Account	FY 20	FY 21	19-21 Total	21-23 Total	23-25 Total
Motor Vehicle Account	108	-	324,000	324,000	14,000	14,000
Account Totals		-	324,000	324,000	14,000	14,000

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: Christine Thomas	Phone: 360-786-7142	Date: 1/13/2020
Agency Preparation: Merdan Bazarov	Phone: 360-902-3795	Date: 1/21/2020
Agency Approval: Kristin Bettridge	Phone: 360-902-3644	Date: 1/21/2020

Request #	2
Bill #	2373 HB

Part 2 – Explanation

This bill changes the definitions and permissible uses of a collector vehicle (CV) license plate and gives the Department of Licensing (DOL) the authority to cancel a CV registration if the vehicle owner does not meet the new qualifications.

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

Section 1 amends RCW 46.04.126 to change the definition of “collector vehicle” to include the new qualifications in RCW 46.18.220. This section also stipulates that these vehicles should not be used for business or commercial purposes or for the regular transportation of persons or property.

Section 2 amends RCW 46.04.1261 to change the definition of “collector vehicle license plate” to the standard language of at least 30 years old. This section also stipulates that these vehicles must meet the new qualifications listed in RCW 46.18.220.

Section 3 amends RCW 46.04.199 to change the definition of “horseless carriage license plate” to only be assigned to a motor vehicle manufactured or built prior to January 1, 1916 and which also meets the qualifications listed in RCW 46.18.255.

Section 4 amends RCW 46.18.220 to expand the qualifications an applicant must meet when applying for a CV license plate to include the following:

- The applicant must submit a certification, as determined by DOL, at the time of application and every 5 years after original issuance.
- Restricts the use of a restored plate to only vehicles manufactured and with a model year prior to January 1, 1989.
- Restricts the use of collector plates to participation in club activities, exhibitions, tours, parades, occasional pleasure driving, and use as necessary for operation and maintenance of the vehicle.
- Prohibits the use of collector plates for vehicles used for business or commercial purposes or for the regular transportation of persons or property.

Section 5 amends RCW 46.18.255 to change the definition of “horseless carriage license plate” to only be assigned to a motor vehicle manufactured or built prior to January 1, 1916.

Section 6 amends RCW 46.16A.070 to allow DOL the authority to cancel the registration certification of any CV license plate that does not meet the qualifications listed in RCW 46.18.220.

Section 7 establishes that changes in this legislation will apply to both previously issued registrations, as well as all new applications. This section also states that DOL will notify all current plate holders of the changes in registration requirements.

Section 8 establishes an effective date for this act of January 1, 2021.

2.B - Cash receipts Impact

Ongoing revenue is indeterminate. DOL does not know how many initial contacts will result in a registration under the provisions of the bill. Variables include how many vehicles are still in Washington,

and how many remain in operating condition. For illustrative purposes, the department has prepared a scenario to show potential revenue with a given set of assumptions. Following implementation of the bill, actual revenue will be incorporated into future revenue forecasts and budget requests.

Scenario Assumptions:

Based on current data, DOL has about 270,000 collector vehicles registered as of August 2019. DOL assumes there is some portion of the more recent registrations that will not qualify for collector vehicle recertification under the proposed legislation.

- As many as 30 percent, or 80,000, of recertification notices may be undeliverable. If so, DOL is projecting only 189,000 recertification notices delivered to registered owners of these vehicles.
- Of these remaining registered collector vehicles, there could be as many as 10 percent, or 18,900, that do not qualify for recertification under the proposed legislation during the first year of implementation.
- There could be as many as 1 percent, or 1,700 of the remaining collector vehicles that do not qualify for recertification under the proposed legislation in future years.
- If vehicle owners do not qualify for CV recertification they will have to apply for a standard vehicle registration or not operate the vehicle.

Based on these scenario assumptions, DOL could realize the following revenue impacts in future fiscal years:

<i>Annual Registrations</i>		<i>FY 2022</i>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>	
<i>% Share</i>	93%	Cars	17,580	17,780	17,990	18,220
		Registration Fee	\$527,400	\$533,400	\$539,700	\$546,600
		Weight Fee	\$0	\$0	\$0	\$0
		Total	\$527,400	\$533,400	\$539,700	\$546,600
	7%	Trucks	1,320	1,330	1,350	1,370
		Registration Fee	\$39,600	\$39,900	\$40,500	\$41,100

Note: Vehicles registered within Sound Transit’s motor vehicle excise tax jurisdiction will also be subject to relevant fees for those purposes. Future revenue collections on behalf of those jurisdictions are also indeterminate.

2.C – Expenditures

Section 7 states that DOL will notify all current plate holders of the changes in registration requirements.

Ongoing cash receipts are indeterminate, but a scenario is provided for discussion purposes. These assumptions were used to project potential expenditure impacts to the agency.

Scenario Assumptions

Based on current data, DOL has about 270,000 collector vehicles registered as of August, 2019. Approximately 250,000 collector vehicles have been registered since Fiscal Year 2000 and DOL assumes

there is some portion of the more recent registrations that will not qualify for collector vehicle recertification under the proposed legislation.

- As many as 30 percent, or 80,000, of recertification notices may be undeliverable. If so, DOL is projecting only 189,000 recertification notices delivered to registered owners of these vehicles.
- Of these remaining registered collector vehicles, there could be as many as 10 percent, or 18,900, that do not qualify for recertification under the proposed legislation during the first year of implementation.
- There could be as many as 1 percent, or 1,700 of the remaining collector vehicles that do not qualify for recertification under the proposed legislation in future years.
- If vehicle owners do not qualify for CV recertification they will have to apply for a standard vehicle registration or not operate the vehicle.
- Approximately 30 percent will register online and will receive a registration certificate and new tabs in the mail, regardless of whether it is annual or recertified registrations. Collector vehicle owners will receive a special collector vehicle year tab that will be a different color than a regular vehicle registration tab. Any new vehicle registrations that result from this legislation will be issued a regular vehicle registration certificate and tab.

One-time costs

The department will incur costs to modify information technology systems, and to send an initial notification to all current CV or restored vehicle plate owners. DOL will also pre-order month and year tabs based on anticipated utilization.

- IT systems modifications: \$32,200; See detail below
- Initial notification: \$177,800; (286,700 x \$0.620)
- Support services: \$23,700; Mailroom and fiscal support

Ongoing Costs

Mailing of initial notifications will begin after information technology modifications are completed. DOL will mail a renewal notice to the address listed on the CV application, or new address if registrant has notified DOL. Table 1 represents the initial and potential renewal notices mailed per fiscal year. Annual renewal letters will be mailed to those registrants that no longer qualify for CV license plates under this new legislation.

- FY21 mailed 5 or 1-year tabs: \$46,900; (178,800 x \$0.15; 53,640 x .55)
- FY22 mailed 1-year tabs: \$5,900; (18,900 x \$0.15; 5,670 x .55)
- FY23 mailed 1-year tabs: \$6,000; (19,100 x \$0.15; 5,730 x .55)
- FY24 mailed 1-year tabs: \$6,000; (19,300 x \$0.15; 5,790 x .55)
- FY25 mailed 1-year tabs: \$6,100; (19,600 x \$0.15; 5,880 x .55)

Table 1

		FY21	FY22	FY23	FY24	FY25
Initial Recertification Notice	Count	286,700				
	Cost	\$ 177,800				
Renewal Letter and Tabs	Count	178,900	18,900	19,100	19,300	19,600
	Cost	\$ 46,900	\$ 5,900	\$ 6,000	\$ 6,000	\$ 6,100

For this scenario, costs include an additional envelope in the initial mailing of a renewal letter, and a registration letter with tabs.

Standard FTE goods and services (object E) costs are included on Table 3.B.1. Standard FTE costs do not include objects EM (AG services), ER (contractual services), and EZ (Other goods & Svcs) which are also shown in Table 3.B.1.

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	2020	2021	2022	2023	2024	2025	Total Cost
TESTER	Test to verify individual components meet requirements; ensure that other business transactions have not been impacted.	\$ 18,444	-	7,400	-	-	-	-	7,400
BUSINESS ANALYST	Determine business requirements; translate requirements into what changes are needed to various systems including account codes, inventory codes, testing considerations, etc.	\$ 26,448	-	2,600	-	-	-	-	2,600
PROJECT MANAGER	Manage schedule and contracts	\$ 27,492	-	2,700	-	-	-	-	2,700
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.	\$ 27,144	-	2,700	-	-	-	-	2,700
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.	\$ 34,800	-	13,900	-	-	-	-	13,900
Project Contingency	Office of the Chief Information Officer designated rate of 10%	\$ -	-	2,900	-	-	-	-	2,900
Totals			-	32,200	-	-	-	-	32,200

Information Services Assumptions:

The following assumptions were used to develop information technology modification estimates:

1. Effective date of January 1, 2021 for all current and future CV plates.
2. Current CV plates will be required to recertify every 5 years.
3. Mail-in renewals will be handled similar to special plates with certifications.
4. Updates will be needed for Vehicle Licensing Office (VLO) communications distribution and Help Manager to reflect changes.
5. VLO intranet site modification.
6. Criteria and fees for original CV plates will not change from current format\rules\laws.

Support Services:

Administrative support is included at a rate of 26 percent of the direct program costs. This percentage is split 7 percent for Management and Support Services (MSS) and 5 percent for Information Services Division (ISD) functions. DOL uses a Fiscal Technician 2 (MSS) and an IT Specialist 4 (ISD) staffing costs as a proxy to determine FTE and display them under Indirect Staff in table 3.C.

Administrative support 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

Account Name	Account	FY 20	FY 21	19-21 Total	21-23 Total	23-25 Total
Motor Vehicle Account	108	-	324,000	324,000	14,000	14,000
Account Totals		-	324,000	324,000	14,000	14,000

3.B – Expenditures by Object or Purpose

Object Name	FY 20	FY 21	19-21 Total	21-23 Total	23-25 Total
FTE Staff Years	-	0.6	0.3	-	-
Salaries and Wages	-	40,000	40,000	2,000	2,000
Employee Benefits	-	16,000	16,000	-	-
Goods and Services	-	268,000	268,000	12,000	12,000
Total By Object Type	-	324,000	324,000	14,000	14,000

3.B.1 – Detail of Expenditures by Sub-Object (Goods and Services Only)

Object E - Description	FY 20	FY 21	19-21 Total	21-23 Total	23-25 Total
EA - Plates & Tabs	-	17,400	17,400	3,700	3,700
EA - General Office Supplies	-	300	300	-	-
EB - Postage	-	207,300	207,300	8,200	8,200
EB - Phone/Install/Usage	-	400	400	-	-
EC - Utilities	-	300	300	-	-
ED - Facility/Lease Costs	-	2,900	2,900	100	100
EE - Repairs, Alterations & Maintenance	-	300	300	-	-
EH - Manage Print Services	-	100	100	-	-
EK - Facilities and Services	-	700	700	-	-
EL - Interagency DP Svcs	-	3,200	3,200	200	200
EN - Personnel Services	-	100	100	-	-
ER - Contracted Costs	-	300	300	-	-
ER - Application Programmers	-	32,200	32,200	-	-
EY - Software Maintenance	-	2,600	2,600	-	-
Total Goods & Services	-	268,000	268,000	12,000	12,000

Totals may differ due to rounding.

3.C – FTE Detail

Position	Salary	FY 20	FY 21	19-21 Total	21-23 Total	23-25 Total
Indirect MSS Fiscal Analyst 2	4,509	0.0	0.4	0.2	0.0	0.0
Indirect ISD IT Cust. Support - Journey	7,033	0.0	0.2	0.1	0.0	0.0
Total FTE		0.0	0.6	0.3	0.0	0.0

Totals may differ due to rounding.

3.D – Expenditures by Program (Optional)

Program		FY 20	FY 21	19-21 Total	21-23 Total	23-25 Total
100 - Mgmt & Support Services	MSS	-	264,000	264,000	12,000	12,000
200 - Information Services	ISD	-	57,000	57,000	2,000	2,000
100 - Central Payment Area	CPA	-	3,000	3,000	-	-
Totals by Program		-	324,000	324,000	14,000	14,000

Part 4 – Capital Budget Impact

None.

Part 5 – New Rule Making Required

DOL will amend relevant rules as necessary. There is no additional fiscal impact assumed with this process.

Individual State Agency Fiscal Note

Bill Number: 2373 HB	Title: Modifying the requirements for collector vehicle registrations.	Agency: 310-Department of Corrections
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2020	FY 2021	2019-21	2021-23	2023-25
Correctional Industries		16,986	16,986	3,584	3,696
Account-Non-Appropriated 401-6					
Total \$		16,986	16,986	3,584	3,696

Estimated Operating Expenditures from:

Account	FY 2020	FY 2021	2019-21	2021-23	2023-25
Correctional Industries	0	10,728	10,728	2,280	2,334
Account-Non-Appropriated 401-6					
Total \$	0	10,728	10,728	2,280	2,334

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: Christine Thomas	Phone: 360-786-7142	Date: 01/13/2020
Agency Preparation: Seth Nickerson	Phone: 360-725-8346	Date: 01/23/2020
Agency Approval: Michael Steenhout	Phone: 360-725-8270	Date: 01/23/2020
OFM Review: Robyn Williams	Phone: (360) 902-0575	Date: 01/23/2020

Part II: Narrative Explanation

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

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

Section 1 amends RCW 46.04.126 to define the term “collector vehicle” and the restrictions of what a collector vehicle can be used for.

Section 2 amends RCW 46.04.1261 to change the requirement that a vehicle must be at least 30 years old and meet requirements listed in RCW 46.18.220 to be eligible for a collector vehicle license plate.

Section 3 amends RCW 46.04.199 to allow horseless carriage license plates assigned to a motor vehicle that was manufactured or built before January 1, 1916 and meets the qualifications listed in RCW 46.18.255.

Section 4(1)(c) states the registered owner must submit certification prescribed in subsection (5) of this section.

Section 4(2) allows a person to apply for a collector license plate for vehicles manufactured prior to January 1, 1989.

Section 4(3)(a) amends RCW 46.18.220 to require collector plates to be renewed every five years.

Section 4(5) requires the registered owner(s) to submit a completed certification form from the Department of Licensing (DOL) when applying or renewing registration of a collector vehicle.

Section 5 amends RCW 46.18.255 to change the definition of “horseless carriage license plate” to only be assigned to a motor vehicle manufactured or built prior to January 1, 1916.

Section 6 amends RCW 46.16A.070 to allow DOL the authority to cancel any collector vehicle license plate that does not meet the qualifications listed in RCW 46.18.220.

Section 7 is a new section stating this act applies to all collector vehicle registrations prior to the effective date of this section as well as those applying for new collector vehicle registrations. The DOL will be responsible for notifying current collector vehicle plate holders.

Section 8 establishes an effective date for this act of January 1, 2021.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

There are cash receipt impacts to the Department of Corrections (DOC) non-appropriated revolving account 401.

Correctional Industries (CI) produces license plate tabs for DOL and as a result of this bill estimates an increase in production. The cost of license plate tabs is \$0.0475 each. Below are the estimated quantities needed by DOL to implement this bill by Fiscal Year (FY).

FY2021: 357,600 total tabs

FY2022: 37,800 total tabs

FY2023: 38,200 total tabs
FY2024: 38,600 total tabs
FY2025: 39,200 total tabs

Based on the estimated quantities of license plate tabs provided by DOL, the projected revenue generated is:

FY2021: \$16,986 | (357,600 X \$0.0475 = \$16,986)
FY2022: \$1,796 | (37,800 X \$0.0475 = \$1,796)
FY2023: \$1,815 | (38,200 X \$0.0475 = \$1,815)
FY2024: \$1,834 | (38,600 X \$0.0475 = \$1,834)
FY2025: \$1,862 | (39,200 X \$0.0475 = \$1,862)

Projected revenue is slightly higher than the expenditures. The variance supports administrative costs to run the program.

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.

The fiscal impact for this bill is estimated at less than \$50,000 per FY.

This bill will result in an increased number of license plate tabs being manufactured and has workload impact to CI. License plate tabs are manufactured by incarcerated individuals who are paid an average of \$1.17 per hour for this line of business. Due to the increase in license plate tabs purchased, CI will have additional costs associated for incarcerated individual pay and raw materials to produce the license plates.

Production costs by FY:

FY2021: \$10,728 | (357,600 X \$0.03 = \$10,728)
FY2022: \$1,134 | (37,800 X \$0.03 = \$1,134)
FY2023: \$1,146 | (38,200 X \$0.03 = \$1,146)
FY2024: \$1,158 | (38,600 X \$0.03 = \$1,158)
FY2025: \$1,176 | (39,200 X \$0.03 = \$1,176)

ASSUMPTIONS:

1. The DOL will purchase license plate tabs from CI.
2. The cost to DOL for license plate tabs is \$0.0475
3. CI license plate tab production costs are \$0.03 per license plate tab.
4. Total tab count includes the month and year tabs DOL will purchase each FY from DOC.
5. Increased production of license plates and license plate tabs affords incarcerated individual jobs, which enhances prison safety by reducing idleness and increases public safety by providing much needed job skills.
6. Projected revenue is slightly higher than the expenditures. The difference is for the administrative costs to run the program.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
401-6	Correctional Industries Account	Non-Appropriated	0	10,728	10,728	2,280	2,334
Total \$			0	10,728	10,728	2,280	2,334

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services					
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-Other		10,728	10,728	2,280	2,334
Total \$	0	10,728	10,728	2,280	2,334

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

NONE

III. D - Expenditures By Program (optional)

Program	FY 2020	FY 2021	2019-21	2021-23	2023-25
Correctional Industries (400)		10,728	10,728	2,280	2,334
Total \$		10,728	10,728	2,280	2,334

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

None.

Part V: New Rule Making Required