

Judicial Impact Fiscal Note

Revised

Bill Number: 1582 HB	Title: Traffic violation penalties	Agency: 055-Admin Office of the Courts
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

Account		FY 2016	FY 2017	2015-17	2017-19	2019-21
Motor Vehicle Account-State	108-1	23,842,901	23,842,901	47,685,802	47,685,802	47,685,802
Counties						
Cities						
Total \$		23,842,901	23,842,901	47,685,802	47,685,802	47,685,802

Estimated Expenditures from:

COUNTY		FY 2016	FY 2017	2015-17	2017-19	2019-21
County FTE Staff Years						
Account						
Local - Counties						
Counties Subtotal \$						
CITY		FY 2016	FY 2017	2015-17	2017-19	2019-21
City FTE Staff Years						
Account						
Local - Cities						
Cities Subtotal \$						
Local Subtotal \$						
Total Estimated Expenditures \$						

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

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.

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Agency Approval: Ramsey Radwan	Phone: 360-357-2406	Date: 02/06/2015
OFM Review:	Phone:	Date:

Request # 1582 HB-3

Part II: Narrative Explanation

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

This bill addresses new traffic infractions to increase revenue for the motor vehicle fund.

Section 1(7)(d) and (e) would amend RCW 46.63.110 to add a \$28 fee to each traffic infraction and add a sliding scale fee of \$25 for speeding infractions at each bail level that is in rule on January 1, 2015.

Revenue from these 2 new fees would be deposited into the motor vehicle fund.

Section 2(4) would amend RCW 45.61.165 to increase the penalty for violating a restriction of highway usage to a minimum penalty of \$250 and require that \$126 of the penalty be deposited into the motor vehicle fund.

Section 3(7) would amend RCW 46.61.502 to add a fee of \$550 for each alcohol or THC concentration test. It would also require that this fee be deposited into the motor vehicle fund.

Section 4 would require these changes to take effect August 1, 2015

II. B - Cash Receipts Impact

Section 1(7)(d) would add a \$28 fee to each traffic infraction.

AOC caseload reports show that there were 274,392 traffic infractions that were committed and 361,426 that were paid statewide for a total of 498,622 traffic infractions in 2013 that would have resulted in payment of a penalty. For the purposes of this judicial impact note the 2013 numbers will be used to estimate future potential revenue.

If the maximum fee of \$28 was assessed on each of these 635,818 infractions, the maximum amount of potential revenue this new fee could generate would be \$17,802,904 per year.

However, for the infractions that a hearing is requested, the maximum fee amount is not always collected so actual revenue generated would be less than the maximum. For this estimate we will use 50% of the infractions for which a hearing is requested plus the infractions paid. Therefore, the estimated revenue collected resulting from this Section would be \$13,961,416.

Section 1(7)(e) would add a sliding scale fee of \$25 for speeding infractions at each bail level that is in rule on January 1, 2015. It is assumed that an additional \$25 would be added on to each traffic infraction penalty if the infraction was for speeding.

Judicial Information System (JIS) data shows that there was an average of 336,654 speeding infractions in 2013 and 2014. For the purposes of this judicial impact note the 2013 & 2014 average will be used to estimate future revenue.

If the maximum fee of \$25 was assessed on each of these 336,654 infractions, the maximum amount of potential revenue this new fee could generate would be \$8,416,350 per year.

However, for the infractions that a hearing is requested, the maximum fee amount is not always collected so actual revenue generated would be less than the maximum. For this estimate we will use 50% of the infractions for which a hearing is requested plus the infractions paid. Therefore, the estimated revenue collected resulting from this section would be \$6,867,763.

Section 2(4) would increase the penalty for violating a restriction of highway usage to a minimum penalty of \$250 and require \$126 of the penalty to be deposited into the motor vehicle fund. It is assumed that \$126 would be a fee that would be added to the existing traffic infraction of \$124 (includes existing fees and/or assessments).

Judicial Information System (JIS) data shows that there was an average of 6,363 infractions in 2013 and 2014 for violations of highway usage. For the purposes of this judicial impact note the 2013 & 2014 average will be used to estimate future revenue.

If the maximum fee of \$126 was assessed on each of these 6,363 infractions, the maximum amount of potential revenue this new fee

would generate would be \$801,738 per year.

However, for the infractions that a hearing is requested, the maximum fee amount is not always collected so actual revenue generated would be less than the maximum. For this estimate we will use 50% of the infractions for which a hearing is requested plus the infractions paid. Therefore, the estimated revenue collected resulting from this section would be \$605,745.

Section 3(7) would add a fee of \$550 for each alcohol or THC concentration tests.

Judicial Information System (JIS) data shows that there was an average of 5,613 cases identified as having an alcohol or THC concentration test in 2013 and 2014. For the purposes of this judicial impact note the 2013 & 2014 average will be used to estimate future revenue.

If each of these 5,613 cases were charged \$550 the maximum amount of revenue resulting from this section would be \$3,087,150 per year.

However, not all DUI fees are paid. For purposes of this judicial impact note a 78% collection rate (based on traffic infraction data) is used. Therefore, the estimated revenue collected resulting from this section would be \$2,407,977.

Revenue from all these new fees would be deposited into the motor vehicle fund.

Section 4 would require these changes to take effect August 1, 2015

II. C - Expenditures

This bill would require modifications to the Judicial Information System (JIS) to add new codes to track the new revenue. These modifications are estimated to take 169 hours of AOC staff time which equates to a one-time cost of \$8,957. It is important to note that the passage of several bills requiring JIS modifications would have a cumulative impact and could exceed current resources.

Part III: Expenditure Detail

III. A - Expenditure By Object or Purpose (State)

<i>State</i>	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years					
Salaries and Wages					
Employee Benefits					
Professional Service Contracts					
Goods and Other Services					
Travel					
Capital Outlays					
Inter Agency/Fund Transfers					
Grants, Benefits & Client Services					
Debt Service					
Interagency Reimbursements					
Intra-Agency Reimbursements					
Total \$					

III. B - Expenditure By Object or Purpose (County)

<i>County</i>	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years					
Salaries and Benefits					
Capital					
Other					
Total \$					

III. C - Expenditure By Object or Purpose (City)

<i>City</i>	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years					
Salaries and Benefits					
Capital					
Other					
Total \$					

Part IV: Capital Budget Impact



Ten-Year Analysis

Bill Number	Title	Agency
1582 HB	Traffic violation penalties	055 Admin Office of the Courts

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 ☐ Indeterminate Cash Receipts

Estimated Cash Receipts

Name of Tax or Fee	Acct Code	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	2016-25 TOTAL
Alcohol/THC Concentration Test Fee	108	2,407,977	2,407,977	2,407,977	2,407,977	2,407,977	2,407,977	2,407,977	2,407,977	2,407,977	2,407,977	24,079,770
Hwy Usage Infraction Fee	108	605,745	605,745	605,745	605,745	605,745	605,745	605,745	605,745	605,745	605,745	6,057,450
Speeding Infraction Fee	108	6,867,763	6,867,763	6,867,763	6,867,763	6,867,763	6,867,763	6,867,763	6,867,763	6,867,763	6,867,763	68,677,630
Traffic Infraction Fee	108	13,961,416	13,961,416	13,961,416	13,961,416	13,961,416	13,961,416	13,961,416	13,961,416	13,961,416	13,961,416	139,614,160
Total		23,842,901	23,842,901	23,842,901	23,842,901	23,842,901	23,842,901	23,842,901	23,842,901	23,842,901	23,842,901	238,429,010

Biennial Totals **47,685,802** **47,685,802** **47,685,802** **47,685,802** **47,685,802** **238,429,010**

Narrative Explanation (Required for Indeterminate Cash Receipts)

This bill would add fees to traffic infractions and require a new fee for alcohol and THC concentration tests to increase revenue for the motor vehicle fund.

Section 1(7)(d) would add a \$28 fee to each traffic infraction.

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