

JUDICIAL IMPACT FISCAL NOTE

Bill Number: 6189 2SSB	Title: Driving with Suspended License	Agency: 055 – Administrative Office of the Courts (AOC)
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Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

	FY 2018	FY 2019	2017-19	2019-21	2021-23
Total:					

Estimated Expenditures from:

STATE	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE – Staff Years					
Account					
General Fund – State (001-1)					
State Subtotal					
COUNTY					
County FTE Staff Years					
Account					
Local - Counties					
Counties Subtotal					
CITY					
City FTE Staff Years					
Account					
Local – Cities					
Cities Subtotal					
Local Subtotal					
Total Estimated Expenditures:					

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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Part II: Narrative Explanation

This bill would provide that a person's driver's license may not be suspended for the failure to respond (FTR) to a notice of traffic infraction, failure to appear (FTA) at a requested hearing, violation of a written promise to appear in court, or failure to comply with the terms of a notice of traffic infraction.

The bill would create a new traffic infraction Driving While License Suspended or Revoked 4 (DWLS4), and elevate DWLS4 to DWLS3 upon the fifth violation of a DWLS4.

The bill would increase a portion of the existing \$20 legislative assessment from \$8.50 to \$10.50. The \$10.50 would be distributed \$6.50 to existing statutory distributions and \$4 to a new account.

The bill would create a new account called the Driver's License Technology Support Account (DLTSA). The bill would reallocate \$4 of the existing \$20 legislative assessment on each traffic infraction to the new account. The bill would also create a new \$2 assessment on traffic infractions and directs the distribution of the new assessment to the new DLTSA.

Part II.A – Brief Description of what the Measure does that has fiscal impact on the Courts

This bill would eliminate the failure to respond (FTR) or failure to appear (FTA) in connection with a traffic infraction as a reason for suspension of a person's driver's license.

The bill would create Driving While License Suspended (DWLS4) as a new traffic infraction, which would result from one of the following reasons:

- 1) A nonresident suspension;
- 2) A suspension for any reasons listed for DWLS2 or DWLS3 for which a person has resolved the reason for suspension but has not reinstated their license; and
- 3) Suspension of an intermediate driver's license.

The bill would retain DWLS3 suspensions that result from one of the following reasons:

- 1) Failure to furnish proof of satisfactory progress in a required alcohol or drug treatment program;
- 2) Failure to furnish proof of financial responsibility for the future;
- 3) Failure to comply with the provisions related to uninsured accidents;
- 4) Failure to comply with the terms of a notice of a criminal complaint; or
- 5) Failure to comply with a child support order.

The bill would elevate DWLS4 to DWLS3 upon the fifth violation of DWLS4.

Section 11(8)(b) – Would increase the current \$8.50 distribution of the \$20 legislative assessment per infraction to \$10.50. The distribution of the \$10.50 would include distributions of \$4 to the new Driver License Technology Support Account (DLTSA) created in Section 16 of this bill. The remainder of the \$20 legislative assessment would be distributed to local governments and the State General Fund, based on existing statute.

Section 15(4) – Would create a new \$2 dedicated assessment on each traffic infraction. The \$2 would be distributed to the DLTSA.

II.B - Cash Receipt Impact

This bill would change existing per infraction revenue distribution, and add a \$2 per infraction dedicated assessment.

Revenue impact is indeterminate, but expected to be significant. This bill would change existing statutory infraction revenue distribution and add a new dedicated assessment to each infraction and distribution of that assessment to a new account.

In order to provide an estimated impact of these changes, the following assumptions were used:

- Revenue estimates are based on a standard basic traffic infraction penalty and distribution (i.e., \$48, with statutory distributions, assessments, and splits state/local). Total for a traffic infraction with this base penalty amount becomes \$136. With the new distribution and dedicated \$2 assessment described below, **the total new traffic infraction penalty would become \$138.** The Administrative Office of the Courts (AOC) did not assess the revenue distribution impacts that would occur to every “type” of traffic infraction.
- Courts of Limited Jurisdiction (CLJ) traffic infraction caseloads for 2016 were used to provide a proxy “payment rate” for infractions. During 2016, the CLJ caseload reports displayed 299,161 infractions paid and 214,682 committed, totaling 513,843. **It should be noted that this represents a count of receipted infraction payments and does not represent how much of each infraction was paid, and how many assessments were waived or deferred.**

The draft language of Section 11(8)(b) changes the current \$8.50 to \$10.50, which is distributed to the GFS. This is a portion of the \$20 legislative assessment described in Section 11(8)(a). The distribution further directs \$4 of the \$10.50 to the newly created Driver’s License Technology Support Account (DLTSA). This changes the distribution of the balance (\$9.50, which is the remainder of the total \$20 assessment) to local governments and the state General Fund to \$6.46 and \$3.04, respectively. The current distribution is \$7.82 (local) and \$3.68 (state). This change will result in revenue loss to local governments and the state General Fund. Revenue loss to local governments is estimated at (\$1.36) per infraction, and (\$2.64) per infraction for the GFS. The tables below display the effect of the proposed changes. Using the CLJ caseloads noted above potential annual revenue loss to local governments could be approximately (\$700,000) while the potential annual revenue loss to the state general fund could be (\$1,357,000).

Table I – Current Legislative Assessment Distribution

	Initial Basis	Local Government	State General Fund	Driver License Tech Account
Legislative Assessment	8.50		8.50	
Remainder distribution, 68% local, 32% state	11.50	7.82	3.68	
Total Assessment	20.00	7.82	12.18	0.00

Table II – DRAFT Distribution

	Initial Basis	Local Government	State General Fund	Driver License Tech Account
Legislative Assessment	10.50		6.50	4.00
Remainder distribution, 68% local, 32% state	9.50	6.46	3.04	
Total Assessment	20.00	6.46	9.54	4.00

Table III – Legislative Assessment, Difference per Infraction

	Local Government	State General Fund	Driver License Tech Account
Current Distribution	7.82	12.18	
DRAFT Distribution	6.46	9.54	4.00
Difference	(1.36)	(2.64)	4.00

Section 15(4) would create a new \$2 assessment on each traffic infraction. The assumption is this will be in addition to all other statutory distributions and assessments and will be directly distributed to the DL TSA.

Thus, it is assumed that a total of \$6 (the total of \$4 of the legislative assessment and the new \$2 dedicated assessment) of revenue received from each infraction would be directed to the DL TSA. At the high end this could result in \$3,083,058 in annual revenue distributed to the new account.

II.C – Expenditures

This bill would effectively change most DWLS3 filings from misdemeanors to infractions. It is assumed that there would be judicial officer time savings due to the expected reduction of misdemeanor hearings due to this change. This savings would be mitigated by the expected increase in infraction hearings.

Expenditure impact is indeterminate. In order to provide an estimate, the AOC examined various data related to DWLS3 filings and hearings and all other infraction filings and hearings. On a statewide basis, time spent hearing these cases varies from jurisdiction to jurisdiction, and different case types provide different levels of complexity. Thus, a direct relationship of DWLS3 “minutes saved” to infraction hearings “minutes saved” may not provide a direct result of true time saved that would result in judicial officer cost savings.

For purposes of illustration, the following example and assumptions are provided:

Table I – Basic Determination of Minutes Saved, DWLS3 to Infractions¹

1	Average minutes saved per case from not hearing DWLS3 cases	20
2	Average annual number of DWLS3 cases	57,000
3	Average total time saved in minutes	1,140,000
4	Average time for an infraction case (minutes)	2
5	Number of infraction hearings in 2016	715,216
6	Total minutes for infraction hearings	1,430,432
7	Ratio of infraction hearings to infraction filings (see Table II)	69.8%
8	Increase in minutes for infraction hearings (line 4 x line 5 x line 7)	998,960
9	Net time difference (minutes) Line 8 minus Line 3	(141,040)
10	Potential cost savings	(\$470,804)

Table II – Ratio of Infraction Filings to Total Hearings

715,216	Filings
58,189	Deferred
135,359	Dismissed
9,158	Not Committed
97,705	Contested Hearings
106,105	Mitigation Hearings
3,696	Show Cause Hearings
89,268	Other Hearings
499,480	Total Hearings
69.8%	Ratio of infractions hearings to infraction filings

Section 11(8)(b) and Section 15(4) would require significant changes to all infraction revenue case-type codes in use by courts for recording and distributing revenue. While this will not require modification of information technology systems, these changes will require staff time for modification of existing codes and creation of new codes, testing, updates to all appropriate documentation, and court education regarding the changes. This would be managed within existing resources.

¹ DWLS3, infraction, and hearings data source Caseloads of the Courts of Limited Jurisdiction (2016)