

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 2373 E 2S HB	<b>Title:</b> State recreational resources
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## Estimated Cash Receipts

Agency Name	2011-13		2013-15		2015-17	
	GF- State	Total	GF- State	Total	GF- State	Total
Department of Licensing	0	2,578,000	0	5,980,200	0	1,754,000
State Parks and Recreation Commission	0	(700,000)	0	(1,158,000)	0	(1,158,000)
Department of Fish and Wildlife	0	(289,700)	0	(463,800)	0	(463,800)
<b>Total \$</b>	<b>0</b>	<b>1,588,300</b>	<b>0</b>	<b>4,358,400</b>	<b>0</b>	<b>132,200</b>

## Estimated Expenditures

Agency Name	2011-13			2013-15			2015-17		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Department of Revenue	.0	0	0	.0	0	0	.0	0	0
Department of Licensing	.0	0	387,585	.0	0	0	.0	0	0
State Parks and Recreation Commission	.0	0	176,000	.0	0	207,000	.0	0	72,000
Department of Fish and Wildlife	.3	0	47,000	.0	0	(5,800)	.0	0	(5,800)
Department of Natural Resources	.0	0	0	.0	0	0	.0	0	0
<b>Total</b>	<b>0.3</b>	<b>\$0</b>	<b>\$610,585</b>	<b>0.0</b>	<b>\$0</b>	<b>\$201,200</b>	<b>0.0</b>	<b>\$0</b>	<b>\$66,200</b>

## Estimated Capital Budget Impact

NONE

OFM NOTE: The cash receipts table on Page 1 of the fiscal note double-counts the revenue change from this legislation due to the nature of the fiscal note roll-up process. The Department of Licensing and the Department of Fish and Wildlife show less revenue to the Recreation Access Pass Account collected from Discover Pass sale, while the Parks and Recreation Commission shows less revenue from the secondary distribution specified in statute from the Recreation Access Pass Account to the three recipient accounts i.e. the Parks Renewal and Stewardship Account for State Parks, the State Wildlife Account for WDFW and the Parkland Trust Revolving Account for DNR. While this is technically correct, rolling-up these figures results in a double-counting. The anticipated revenue loss from transferability is \$500,000 for the biennium.

Additionally, while a minor loss of Discover Pass (Pass) revenue is reflected in the fiscal note it should be recognized that revenue of the Pass is down \$11.2 million in the first six months of collections. Based upon current assumptions from the most recent public survey, this transferability legislation will raise \$8.6 million for the remainder of the biennium and \$11.5 million in future biennia. While this legislation may maintain revenue in the remainder of the biennium, it will not replace the \$11.2 million already lost.

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.

\* See Office of the Administrator for the Courts judicial fiscal note

\*\* See local government fiscal note

FNPID: 32506

FNS029 Multi Agency rollup

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<b>Prepared by:</b> Chris Stanley, OFM	<b>Phone:</b> (360) 902-9810	<b>Date Published:</b> Revised 3/12/2012
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\* See Office of the Administrator for the Courts judicial fiscal note

\*\* See local government fiscal note

FNPID: 32506

FNS029 Multi Agency rollup

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 2373 E 2S HB	<b>Title:</b> State recreational resources	<b>Agency:</b> 090-Office of State Treasurer
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**Part I: Estimates**

No Fiscal Impact

**Estimated Cash Receipts to:**

ACCOUNT	FY 2012	FY 2013	2011-13	2013-15	2015-17
Local Sales And Use Tax Account-Non-Appropriated 034-6		(571,000)	(571,000)	(1,194,000)	(1,267,000)
Parks Renewal and Stewardship Account-State 269-1		571,000	571,000	1,194,000	1,267,000
<b>Total \$</b>					

**Estimated Expenditures from:**

NONE

**Estimated Capital Budget Impact:**

NONE

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 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: Angeline Thomas	Phone: 360-786-7407	Date: 02/29/2012
Agency Preparation: Dan Mason	Phone: 360-902-9090	Date: 03/02/2012
Agency Approval: Dan Mason	Phone: 360-902-9090	Date: 03/02/2012
OFM Review: Cheri Keller	Phone: 360-902-0563	Date: 03/02/2012

Request # 151-2

## 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.*

E2SHB 2373 requires local sales and use taxes for lodging services within state parks to be transferred to the parks renewal and stewardship account.

Assumption: No local tourism promotion account moneys are collected within state parks; per conversation with the department of revenue.

Under section 19, by October 1, 2012, and by October 1st of every year thereafter, the state treasurer transfers the department of revenue estimated amount from the local sales and use tax account to the state parks renewal and stewardship account. The estimates in this fiscal note were provided by the parks and recreation commission.

Earnings from investments:

Estimated earnings from investments are indeterminable because projected cash flows are needed to make the estimate and are currently unavailable. Earnings for an account are a function of the average daily balance of the account and the earnings rate of the investment portfolio. The average daily balance is a function of the beginning balance in the account and the timing & amount of receipts, disbursements, & transfers during the time period in question. Accordingly, even with a beginning balance of zero, two accounts with the same overall level of receipts, disbursements, and transfers can have different average daily balances, and hence different earnings.

For illustrative purposes, assume based on the February 2012 Revenue Forecast that the net rate for estimating earnings for FY 12 is 0.10%, FY 13 is 0.10%, FY 14 is 0.10%, and FY 15 is 1.11%. Approximately \$1,000 in FY 12, \$1,000 in FY 13, \$1,000 in FY 14, and \$11,100 in FY 15 in net earnings and \$5,000 in fees would be gained or lost annually for every \$1 million increase or decrease in average daily balance.

### 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.*

Under section 19, by October 1, 2012, and by October 1st of every year thereafter, the state treasurer transfers the department of revenue estimated amount from the local sales and use tax account to the state parks renewal and stewardship account.

### 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 - Expenditures by Object Or Purpose

NONE

## Part IV: Capital Budget Impact

NONE

**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.*

# Department of Revenue Fiscal Note

<b>Bill Number:</b> 2373 E 2S HB	<b>Title:</b> State recreational resources	<b>Agency:</b> 140-Department of Revenue
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**Part I: Estimates**

**No Fiscal Impact**

**Estimated Capital Budget Impact:**

NONE

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 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: Angeline Thomas	Phone: 360-786-7407	Date: 02/29/2012
Agency Preparation: Diana Tibbetts	Phone: 360-534-1520	Date: 02/29/2012
Agency Approval: Don Gutmann	Phone: 360-534-1510	Date: 02/29/2012
OFM Review: Cherie Berthon	Phone: 360-902-0659	Date: 02/29/2012

## 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.*

Note: This fiscal note reflects language in E2SHB 2373.

This legislation relates to the state's management of its recreational resources.

Section 1 of this legislation expands the definition of "recreation site or lands" to include state lands or state forest lands as those terms defined in RCW 79.02.010, natural resources conservation areas as that term is defined in RCW 79.71.030, and natural area preserves as that term is defined in RCW 79.70.020. It deletes from the definition Department of Natural Resources developed or designated recreation areas, sites, trailheads, and parking areas.

It expands the term "Sno-park permit" to include daily permits in addition to a seasonal one issued by the parks and recreation commission.

Section 2 excludes from the discover pass requirement permits those required to be registered under RCW 79A.080.050, RCW 79A.080.060, and RCW 79A.080.070. It adds that the discover pass is to be valid one year from the date marked for activation. The sales of discover passes must be consistent with Section 4 of this act.

A discover pass is valid for only those vehicle license plate numbers written on the pass. Fully transferable family discover passes are not subject to this requirement. Agencies must collectively set a price for the sale of a family discover pass that is no more than \$50.

One complimentary discover pass may be provided to a person who has been provided with a lifetime veteran's disability pass from the state parks and recreation commission under RCW 79A.05.065.

Section 3 requires that sales of day-use permits must be consistent with Section 4 of this act.

Section 4 provides where discover passes and day-use permits may be purchased, that the Department of Fish and Wildlife's automated licensing system is only one option for the purchase of a discover pass or day-use permit, a discover pass may not be returned or refunded once purchased, replacements for lost or stolen passes must be purchased at full price, vendors under contract with the State Parks and Recreation Commission may sell passes and permits for a discounted price but private sector vendors may not, passes and permits purchased through the Department of Licensing, county auditors, or other agents are not responsible for delivering the purchased passes and permits to the purchaser, the responsibility for delivering belongs to the agencies.

Section 5 requires that vehicle access passes contain spaces for two motor vehicle license plate numbers and it is only valid for those vehicles.

Section 6 states that when practicable, free access days should be timed to correspond with any free access days planned by the national park service.

Section 8 shortens the short-term parking period from 30 to 15 minutes.

Section 9 allows the passes and permits to be displayed in an otherwise prominent location for vehicles without a windshield. The discover pass, vehicle access pass, or day-use permit is not required for persons who enter the lands for nonrecreational purposes. Requirements of this section may be waived for any person who has secured the ability to access specific recreational land through the provision of monetary consideration. The state parks and recreation commission must consider the direct and indirect costs and benefits to the state when waiving the requirements of this section for

special events. Penalties for failure to comply with the requirements of this section will be waived if an individual has a lifetime veteran's disability pass under RCW 79A.05.065.

Section 10 allows the State Parks Commission to utilize unstaffed collection stations to collect fees or distribute any permits access to state lands as those terms are defined in RCW 79A.80.010.

Section 11 increases the weight requirement threshold of vehicles paying a registration fee under RCW 46.17.350(1) or RCW 46.16A.455 from 10,000 pounds 12,000 pounds to pay a voluntary \$5 to support Washington's state park system.

Section 12 authorizes the Department of Licensing and its subagents to offer for sale and distribute discover passes and day-use permits as provided in chapter 79A.80 RCW.

Section 13 allows the Department of Licensing to offer for sale and distribute discover and day-use permits as provided in chapter 79A.80 RCW at the Department's driver's license offices. Amounts collected are to be deposited into the recreation access pass account created in RCW 79A.80.090.

Section 14 adds a \$10 state parks support fee in addition to other required fees. It is to be deposited into the state parks renewal and stewardship account established in RCW 79A.05.215.

Section 15 entitles any resident of Washington who is a veteran and has a service connected disability to a complimentary discover pass consistent with provisions in RCW 79A.80.020.

Section 16 requires that agencies must consider volunteer time spent cleaning ocean beaches of debris generated by the 2011 Tohoku earthquake and tsunami towards satisfying the volunteer commitment threshold provided in RCW 79A.80.020. This section expires December 31, 2015.

Section 17 states that a state agency may not refund money for a discover pass or vehicle pass issued prior to the effective date of this section. Each type of pass in this section is valid for two license plate numbers written on the pass. This section expires December 31, 2013.

Section 18 requires by December 31, 2013, the agencies responsible for implementing the discover pass requirements of chapter 79A.80 RCW must prepare a report to the Legislature. Report requirements are explained in detail in this section. This section expires July 30, 2014.

Section 19 requires by September 1, 2012 and by every September 1st thereafter, the Department of Revenue (Department) to estimate the amount of revenue collected for the prior fiscal year under RCW 67.28.180, 67.28.181, and 35.101.050 a by city, town, or county from the sales of lodging services within a state park. The Department must provide the estimate to the State Treasurer.

By October 1, 2012 and by October 1st thereafter, the State Treasurer must transfer the estimated amount provided by the Department from the local sales and use tax account, and local tourism promotion account if applicable, to the state parks renewal and stewardship account created under 79A.05.215. Any scheduled distributions under RCW 82.14.060 or 35.101.100 to any city or county included within the estimate must be reduced by the amount of the estimate. The implementation period of this reduction must not exceed six months.

Section 20 gives authority of the State Treasurer to reduce any deductions provided under RCW 82.14.050 by any reduction required under Section 19 of this act.

Section 21 allows the State Treasurer to reduce distributions to the local tourism account by any reductions required under Section 19 of this act.

There is an immediate effective date of this act.

## 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.*

### ASSUMPTIONS/DATA SOURCES

Washington State Parks and Recreation Commission (Parks Commission) is the only taxpayer. The Parks Commission collects lodging taxes from 35 local jurisdictions. The Parks Commission will continue to collect and remit lodging taxes to the Department and then the lodging taxes will be reallocated to the Parks Commission each October.

This estimate is based on 3 percent growth in lodging revenues per year.

It is assumed this bill would be effective immediately after the end of the legislative session.

### REVENUE ESTIMATES

There is no direct impact to state revenue. The local impact is a loss of \$571,000 in Fiscal Year 2013 and \$588,000 in Fiscal Year 2014.

### TOTAL REVENUE IMPACT:

State Government (cash basis, \$000): None.

Local Government, if applicable (cash basis, \$000):

FY 2012 -	\$ 0
FY 2013 -	\$ (571)
FY 2014 -	\$ (588)
FY 2015 -	\$ (606)
FY 2016 -	\$ (624)
FY 2017 -	\$ (643)

## 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 Department will not incur any costs with the implementation of this legislation.

## Part III: Expenditure Detail

## Part IV: Capital Budget Impact

*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

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

No rule-making required.

# Individual State Agency Fiscal Note

Revised

<b>Bill Number:</b> 2373 E 2S HB	<b>Title:</b> State recreational resources	<b>Agency:</b> 240-Department of Licensing
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**Part I: Estimates**

No Fiscal Impact

**Estimated Cash Receipts to:**

ACCOUNT	FY 2012	FY 2013	2011-13	2013-15	2015-17
Recreation Access Pass Account-State 237-1	(50,000)	(200,000)	(250,000)	(400,000)	(400,000)
Parks Renewal and Stewardship Account-State 269-1	359,000	2,469,000	2,828,000	6,380,200	2,154,000
<b>Total \$</b>	309,000	2,269,000	2,578,000	5,980,200	1,754,000

**Estimated Expenditures from:**

Account	FY 2012	FY 2013	2011-13	2013-15	2015-17
Motor Vehicle Account-State 108-1	0	387,585	387,585	0	0
<b>Total \$</b>	0	387,585	387,585	0	0

**Estimated Capital Budget Impact:**

NONE

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 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:

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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: Angeline Thomas	Phone: 360-786-7407	Date: 02/29/2012
Agency Preparation: Sally McVaugh	Phone: (360) 902-3642	Date: 03/09/2012
Agency Approval: Sam Knutson	Phone: (360) 902-3644	Date: 03/09/2012
OFM Review: Jim Albert	Phone: (360) 902-0419	Date: 03/09/2012

Request # 2373 E2SHB-2

## 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.

### 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 - Expenditures by Object Or Purpose

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years					
E-Goods and Services		387,585	387,585		
<b>Total:</b>	\$0	\$387,585	\$387,585	\$0	\$0

### III. C - Expenditures By Program (optional)

Program	FY 2012	FY 2013	2011-13	2013-15	2015-17
Information Services (200)		387,585	387,585		
<b>Total \$</b>		387,585	387,585		

## Part IV: Capital Budget Impact

NONE

## 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.

## Part II: Explanation

This bill makes changes to the Discover Pass and Day-use Permit statutes:

- Requires space on the Discover Pass for two vehicle license plate numbers.
- Requires the Department of Licensing (DOL) to provide Discover Passes and Day-use Permits for purchase and distribution at county auditor and subagent offices, and at driver license offices.
- Increases the vehicle types that are subject to the \$5 opt-out State Park donation program.
- Creates a \$10 State Parks Support Fee on recreational vehicles.

E2SSB differs from 2SHB. This bill allows complimentary Discover Passes to any person who qualifies for a lifetime veteran's disability pass from the State Parks and Recreation Commission. It also allows the state to keep local hotel and motel taxes and tourism promotion charges collected on lodging services within state parks. These changes do not affect the fiscal impact for DOL.

Note 1: This fiscal note analyzes one method of implementing this bill. There are alternative methods of implementation which may be considered.

NOTE 2: This bill has an emergency clause for an effective date. DOL estimates that the needed modifications to its information technology systems will be completed October 1, 2012 to begin collecting revenue for the State Parks Support Fee and May 1, 2013 for most other changes. These dates are later than the effective date of the bill.

### II. A – Brief Description of What the Measure Does that Has Fiscal Impact

Note: This bill has the same revenue impact and effective date assumptions as 2SHB 2373.

Section 2 requires the Discover Pass to contain space for two motor vehicle license plate numbers.

Section 3 amends RCW 79A.80.030 by requiring Day-use Permits to be made available for purchase from the Department of Licensing (DOL) as authorized in RCW 46.16A.090 which would include county auditors and their subagents, and driver license offices.

Section 4 creates a new section in chapter 79A.80 which requires Discover Passes and Day-use Permits to be made available for purchase at a variety of venues, including from DOL as provided in RCW 46.16A.090 as amended in section 13.

Section 11 amends RCW 46.16A.090 by increasing the population of vehicles which are subject to the \$5 opt-out state park donation program to include: commercial trailers (RCW 46.04.136); mopeds (RCW 46.04.304); off-road vehicles (RCW 46.04.365); private use single-axel trailers (RCW 46.04.422); trailers over 2000 pounds; vintage snowmobiles; and vehicles registered under RCW 46.16A.455 with a declared gross weight of 12,000 pounds or less.

Section 12 amends RCW 46.01.140 by authorizing the director of DOL to permit county auditors and their subagents to distribute Discover Passes and Day-use Permits.

Section 13 adds a new section to chapter 46.01 RCW authorizing DOL to offer Discover Passes and Day-use Permits for sale at driver license offices.

Section 14 amends RCW 46.17.375 by creating a \$10 State Parks Support Fee to be collected on registrations for recreational vehicles (campers, motor homes, and travel trailers) until July 1, 2015. The State Parks support fee is to be deposited in the State Parks Renewal and Stewardship Account.

Section 17 states that a state agency may not refund money for a Discover Pass or Vehicle Access Pass issued prior to the effective date of this section. Passes issued prior to the effective date of this section are valid for two license plate numbers written on the pass. This section expires December 13, 2013.

Section 19 redistributes local sales and use tax revenues collected at state parks from local jurisdictions to the State Parks Renewal and Stewardship Account. DOL does not collect these taxes.

Section 22 includes an emergency clause making the bill effective immediately.

## II. B – Cash Receipt Impact

### Discover Pass

State Parks conducted a survey in November 2011, which reflected that the current legislation will likely earn less revenue than the initial Discover Pass survey in March 2011. In March, the survey reflected that approximately 30.5% of all households would purchase the Discover Pass, which is different from the current survey, which shows that about 19.4% would buy the pass under the current legislation. According to the survey, changing the annual Discover Pass so that it can be used for two license plates, should earn less revenue than the original bill's estimate. State Parks assumes that DOL and Washington Department of Fish and Wildlife would each have 50% of the \$400,000 anticipated annual reduction in revenue. Per discussion with State Parks, even though DOL will increase the availability of the Discover Pass by selling them in driver licensing offices, there is no assumption of increased demand as a result. An annual revenue loss of \$200,000 is assumed for DOL's portion of Discover Pass sales because these passes will be made available for use on more than one vehicle. A revenue loss of \$50,000 is estimated for Fiscal Year 2012 due to the assumed effective date of April 1, 2012.

### Day-use Permits

It is assumed that sales of Day-use permits at DOL offices as a result of this proposed legislation will be minimal or non-existent. Therefore, there is no revenue included in this analysis for Day-use permits.

### State Parks \$5 Opt-out Donation Program

State Parks' assumption regarding the donation program is as follows: The voluntary donation program's current participation rate among registered owners of vehicles currently subject to the donation is 26.6%. Based on this participation rate and the number of additional registered vehicles that will be subject to participation in the donation program, there will be an increase in revenue of \$1,077,000 per year. This increase is deposited in the Parks Renewal and Stewardship Account. A revenue increase of \$359,000 is estimated for Fiscal Year 2012 due to the assumed effective date of April 1, 2012.

### New \$10 State Parks Support Fee

This new fee will be collected on registrations for recreational vehicles (campers, motor homes, and travel trailers) until July 1, 2015. The November 2011 Vehicle Registration Forecast as adopted by the Transportation Revenue Forecast Council was used to estimate the Parks Support Fees distributed to the Parks Renewal and Stewardship Account until it sunsets on July 1, 2015. The assumed implementation date for collections of the State Parks Support Fee is October 1, 2012 due to the time needed to program DOL's computer systems and therefore Fiscal Year 2013 reflects nine months of collections.

<b>Cash Receipts</b>	<b>FY 12</b>	<b>FY 13</b>	<b>11-13 Total</b>	<b>13-15 Total</b>	<b>15-17 Total</b>
Parks Renewal & Stewardship	359,000	2,469,000	2,828,000	6,380,200	2,154,000
Recreation Access Pass Act	(50,000)	(200,000)	(250,000)	(400,000)	(400,000)
<b>Total Revenue</b>	<b>309,000</b>	<b>2,269,000</b>	<b>2,578,000</b>	<b>5,980,200</b>	<b>1,754,000</b>

## II. C – Expenditures

Information Services expenditures and resultant revenue impacts may vary if leveraged with other technology development activities being proposed for the Department. For purposes of this fiscal note, estimated expenditure and revenue impacts are determined on a standalone basis using standard contractor rates.

Extensive programming will be needed to accommodate the requirements of this bill. DOL can currently charge for Discover Passes at the agent and subagent offices but not at driver license offices. Computer systems will need to be modified to accommodate this change. Additionally DOL will need to program systems to accommodate agents, subagents, and driver license offices to sell Day-use Permits. Also, changes will need to be made to add the new \$10 State Parks Support Fee and to expand the group of vehicles which are subject to the \$5 opt-out state park donation program.

The major systems impacted are the Vehicle Headquarters System, the Vehicle Field System, the Revenue System, the Vehicle Internet System, and the Driver Field System. ISD will need to hire application programmers for 22.5 months for project support to assist internal staff also working on the project. The cost is projected to be \$387,585 including a ten percent project contingency.

The following is a breakout of the approximate costs to accomplish each change:

\$10 Day Pass in Vehicle Field Offices	\$75,000
Change in Vehicles Subject to \$5 Donation	\$20,000
New \$10 State Parks Support Fee	\$53,000
Discover Pass and Day-use Permits for Sale at Driver License Offices	\$240,000
Total	\$388,000

**Part III: Expenditure Detail**

**III. A – Expenditures by Object or Purpose**

	FY 12	FY 13	11-13 Total	13-15 Total	15-17 Total
FTE Staff Years					
Goods and Services		387,585	387,585		
<b>TOTAL</b>		<b>387,585</b>	<b>387,585</b>		

**III. A (1) – Detail of Expenditures by Sub-Object for Goods & Services**

<b>Object E Breakdown:</b>	<u>FY 12</u>	<u>FY 13</u>	<u>11-13 Total</u>	<u>13-15 Total</u>	<u>15-17 Total</u>
ER Application Programmers		387,585	387,585		
<b>Total Goods &amp; Svcs</b>		<b>387,585</b>	<b>387,585</b>		

**III. A (2) – Detail of Expenditures by Fund**

Additional information about assumptions and impacts is available directly from the Department of Licensing at 902-3644.

**III. B – Expenditures by Program (optional)**

<b>Program</b>	<b>FY 12</b>	<b>FY 13</b>	<b>11-13 Total</b>	<b>13-15 Total</b>	<b>15-17 Total</b>
100 - Mgmt & Support Services					
200 - Information Services		387,585	387,585		
300 - Customer Relations					
600 - Programs & Services					
700 - Business & Professions					
<i>Total</i>	-	387,585	387,585	-	-

**Part IV: Capital Budget Impact**

None

**Part V: New Rule Making Required**

None

# Individual State Agency Fiscal Note

Revised

<b>Bill Number:</b> 2373 E 2S HB	<b>Title:</b> State recreational resources	<b>Agency:</b> 465-State Parks and Recreation Comm
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**Part I: Estimates**

No Fiscal Impact

**Estimated Cash Receipts to:**

ACCOUNT	FY 2012	FY 2013	2011-13	2013-15	2015-17
Park Land Trust Revolving Account-State 087-1	(9,000)	(40,000)	(49,000)	(80,000)	(80,000)
State Wildlife Account-State 104-1	(9,000)	(40,000)	(49,000)	(80,000)	(80,000)
Recreation Access Pass Account-State 237-1	(7,000)	(75,000)	(82,000)	(150,000)	(150,000)
Parks Renewal and Stewardship Account-State 269-1	(96,000)	(424,000)	(520,000)	(848,000)	(848,000)
<b>Total \$</b>	(121,000)	(579,000)	(700,000)	(1,158,000)	(1,158,000)

**Estimated Expenditures from:**

Account	FY 2012	FY 2013	2011-13	2013-15	2015-17
Parks Renewal and Stewardship Account-State 269-1	0	176,000	176,000	207,000	72,000
<b>Total \$</b>	0	176,000	176,000	207,000	72,000

**Estimated Capital Budget Impact:**

NONE

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 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: Angeline Thomas	Phone: 360-786-7407	Date: 02/29/2012
Agency Preparation: Brian Myhre	Phone: 360-902-8621	Date: 03/05/2012
Agency Approval: Tanya Deuel	Phone: 360-902-8539	Date: 03/05/2012
OFM Review: Chris Stanley	Phone: (360) 902-9810	Date: 03/05/2012

Request # A - 24-3

Bill # 2373 E 2S HB

## 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.*

The engrossed second substitute bill, when compared to the second substitute, differs in the following ways:

Would allow persons that have a lifetime Veteran's Disability Pass issued by the Washington State Parks and Recreation Commission (State Parks) under RCW 79A.05.065 (Park Passes), to be provided with a complimentary Discover Pass.

Would require taxes collected in the Local Sales and Use Tax Account and Local Tourism Promotion Account, for lodging services within any state park, be transferred to the Parks Renewal and Stewardship Account.

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This bill would revise numerous provisions related to Discover Pass (Pass), Day-Use Permits (Permit) and the Recreation Access Pass account.

Sections with significant impacts are listed below:

#### Section 1 – Definitions

Revises the definition of “Sno-Park Permit” to include both seasonal and daily permits and revises the definition of “Recreation Site or Lands”.

#### Section 2 – Discover Pass

2 (3) – Specifies that a Discover Pass is good for one year from the date of activation. The date of activation can be different than the date of purchase.

2 (5) – Requires space for two license plate numbers on a Discover Pass. This section also creates the Family Pass that may be sold by agencies for up to \$50. The Family Pass is fully transferable among vehicles and does not require any license plate number on the Pass to be valid.

2(6) – Allow persons that have a lifetime Veteran's Disability Pass issued by the Washington State Parks and Recreation Commission (State Parks) under RCW 79A.05.065 (Park Passes), to be provided with a complimentary Discover Pass.

#### Section 4(1) – Pass/Permit Sales

Passes/Permits may be made available for purchase in the following ways:

- a) Private sector vendors under contract with an agency
- b) Directly from State Parks, including the agency's reservation system, agency staff and volunteers, or as otherwise provided in RCW 79A.05.070 (Further Powers – Director of Parks and Recreation).
- c) From the Washington State Department of Licensing (DOL)
- d) From outlets authorized by law to sell state licenses, permits or passes.
- e) Through the Washington State Department of Fish & Wildlife's (DFW) automated licensing system.

Section 4(4) – Vendors under contract with State Parks may be provided with Passes and Permits for less than the sales price. The retail sales price must still be as established in statute.

Section 4(5) – The Department of Licensing (DOL), County Auditors, and sub-agents are not responsible for delivering Discover Pass and Day-Use Permits. This responsibility belongs to the applicable agencies.

Section 5 – Vehicle Access Pass (VAP)

Specifies the VAP is valid for two vehicles.

Section 6(2) – State Parks must provide up to 12 free days a year where entry to state parks is free. When practicable, free access days should be timed to correspond with National Park Service (NPS) free access days for those high volume state parks located in the general region of a National Park.

Section 7 – Sno-Park Permit Exemption

A Discover Pass or Day-Use Permit is not required at designated Sno-Parks between November 1st and March 31st if a person has a valid Sno-Park Permit.

Section 9 – Recreation Site or Lands Access

9(6)(b) would waive the penalty for accessing recreation sites or lands without a Discover Pass if an individual shows they have, or are eligible for, a lifetime Veteran’s Disability Pass.

Section 10 – Allows State Parks to use unstaffed collection stations to collect any fees or distribute permits necessary to access state parks.

Section 11 – Voluntary Donation Program

Expands the types of vehicles that are allowed to participate in DOL’s five dollar donation program that helps support State Parks.

Section 13 – Allows DOL, in coordination with State Parks, to sell Discover Passes and Day-Use Permits at Drivers license offices. Proceeds from the sale must be deposited in the Recreation Access Pass Account.

Section 14 – State Parks Support Fee

This section would require a \$10 State Parks Support Fee be paid at the time of recreational vehicle registration. Revenue generated from the State Parks Support Fee would be required to be used only at state parks that provide access and overnight accommodations to recreational vehicles. Authorization for the fee would expire on July 1, 2015.

Section 17 – Retroactive Provision

Each Discover Pass or Vehicle Access Pass purchased prior to the effective date of this bill is valid for two license plate numbers written on the pass. No refunds are allowed for Passes issued prior to the effective date of this section.

Section 18 – Report Required

The agencies responsible for implementing the Discover Pass Program would be required to submit a report that identifies opportunities to simplify the administration and use of the Discover Pass and for creating consistent recreational access policies across all lands that require a Discover Pass. The report should note progress made toward these items.

Section 19 – Excise Taxes

Would require taxes collected in the Local Sales and Use Tax Account and Local Tourism Promotion Account, for lodging services within any state park, be transferred to the Parks Renewal and Stewardship Account.

Section 22 – Emergency Clause

This bill, if passed, is to take effect immediately.

**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.*

This bill would impact State Parks revenue for both the Recreation Access Pass Account (RAPA) and the Parks Renewal and Stewardship Account (PRSA). Impacts are discussed below.

RECREATION PASS ACCOUNT IMPACTS

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Section 2(5) – Specifies that a Discover Pass must contain space for two motor vehicle license plate numbers.

According to a recent survey, sales of Discover Passes will fall short of the original projections. The survey found that changing the Discover Pass so that it can be used for two vehicles would earn an amount close to, but slightly less than, the original projections.

A March 2011 survey based on a one vehicle Discover Pass, estimated that \$32,100,000 in revenue from Discover Pass and Day-Use Permit sales would be deposited in the Recreation Access Pass account. A November 2011 survey based on a transferable two vehicle Pass, estimates sales/deposits at \$31,700,000. This would mean \$400,000 less in sales than the original projections. For the purposes of the fiscal note, this reduction will be shared equally and reported by the Department of Fish and Wildlife (DFW) and the Department of Licensing (DOL). A \$200,000 reduction per fiscal year in Recreation Access Pass revenue will each be reported in DFW’s and DNR’s fiscal notes for this bill.

Section 2(5) also creates the Family Access Pass. This Pass can be sold for a price up to \$50. The Family Pass is fully transferable among vehicles and does not require any license plate number on the Pass to be valid.

Fiscal impacts related to the Family Pass are indeterminate. This section allows agencies to sell a Family Pass, but does not require it to be sold. The Pass can be sold at various price points, with the highest price being \$50. It is not currently known if the Pass will be sold, and if so, at what price. Since the Family Pass can be transferred among vehicles without restriction, another unknown is the amount of transferring that would take place. Since excessive transfer among vehicles could result in lost Discover Pass sales, this provision has the potential to collect less revenue than would otherwise be anticipated.

-----  
Section 2(6) – Allows persons with a lifetime Veteran’s Disability Pass issued by the Washington State Parks and Recreation Commission (State Parks) under RCW 79A.05.065 (Park Passes), to be provided a complimentary Discover Pass.

Currently, a person with a lifetime Veteran’s Disability Pass is allowed free admission and free camping in state parks, but does not get free access to lands managed by the Washington State Department’s of Natural Resources

(DNR) and Fish & Wildlife (DFW). This bill would result in a reduction in revenue since holders of a Veteran's Disability Pass would no longer need to buy a Discover Pass for access on to DNR and DFW lands.

Approximately 3,200 people with a Veteran's Disability Pass used their pass for free camping last year. In a November 2011 survey, 60% of those households with a Veteran's Disability Pass said they would still buy a Discover Pass. Assuming holders of a Veteran's Disability Pass are buying a Discover Pass to allow access to DNR and DFW lands, this amount of Discover Pass sales would be lost, since they would now get a Discover Pass for free.  $3,200 \text{ (Vet Passes)} \times 60\% \text{ (survey response)} \times \$30 \text{ (Discover Pass cost)} = \$57,600 \text{ (Recreation Access Pass reduction)}$ .

For the purposes of this fiscal note, it is assumed that half the reduction in revenue collected for the Recreation Access Pass Account will occur at State Parks and half at DFW. This amount equals \$29,000 (rounded to the thousands) for each agency and will be reported on their respective fiscal notes.

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Section 4 (4) – Vendors under contract with State Parks may be provided with Passes and Permits for less than the sales price. Since it has not been determined if Passes and Permits would be sold to additional private vendors, or how much less than the retail price they would be sold for, the revenue impacts of this section are unknown. It should be noted that selling the Passes/Permits for less than the full price will require additional sales to make up for the reduction in price. If Passes were sold at \$28 for example, to earn ten million in revenue, approximately 24,000 more Passes would have to be sold than would be needed at \$30.

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Section 7 – A Pass/Permit is not required at designated Sno-Parks between November 1st through March 31st for persons who have a valid Sno-Park permit.

Based on sales at Hyak, the largest Sno-Park on State Park land, sales lost from this section will be Day-Use Permits. It is estimated that 4,600 Day-Use Permits will not be sold.  $4,600 \times \$10 = \$46,000$  reduction per fiscal year. For the purposes of this fiscal note, it is assumed the lost sales will occur at State Parks. No revenue loss would occur in FY 2012 since the Sno-Park season ends on March 1st, and the bill is assumed to be implemented on April 1st.

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Recreation Access Pass Account revenue is distributed to certain natural resource accounts. The reductions in Recreation Access Pass Account revenue noted for sections 2(5), 2(6) and 7 of the bill will result in a corresponding reduction in the distribution of revenue to each of those accounts. Recreation Access Pass Account revenue is distributed in the following ratio. 84% - Parks Renewal and Stewardship Account, 8% - State Wildlife Account and 8% - Park Land Trust Revolving Account. State Parks will report the reductions for these accounts on in this fiscal note. Full year reductions (rounded to thousands) are:

Recreation Access Pass Account Distributions:  
Section 2(5) - \$400,000 reduction  
Section 2(6) - \$58,000 reduction

Section 7 - \$46,000 reduction  
Total \$504,000 reduction.

84% X - \$504,000 = \$423,000 Parks Renewal and Stewardship Account  
8% X - \$504,000 = \$ 40,000 State Wildlife Account  
8% X - \$504,000 = \$ 40,000 Park Land Trust Revolving Account

Assuming an April 1st 2012 implementation date, FY 2012 will have a reduction that is approximately 25% of the amounts listed above.

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### PARKS RENEWAL AND STEWARDSHIP ACCOUNT IMPACTS (PRSA)

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Section 11 – Expands the types of vehicles that are allowed to participate in the five dollar donation program that helps support State Parks.

The voluntary donation program’s current participation rate among registered vehicles is 26.6% . Based on this participation rate and the number of additional registered vehicles that would be allowed to participate in the donation program, there would be an increase in revenue of \$1,077,000 per fiscal year. This increase must be deposited in the Parks Renewal and Stewardship Account. The donations would be collected by DOL and will be reported on their fiscal note

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Section 14 – This section would require a \$10 State Parks Support Fee be paid at the time of recreational vehicle registration. This provision would expire on July 1, 2015. The fee must be deposited in the Parks Renewal and Stewardship Account.

The definition of recreational vehicle (RV) includes motor homes, trailers and campers. Based on data provided by DOL, the fee would increase revenue by approximately \$2,100,000 when implemented for a full fiscal year. This fee will be collected by DOL, Please see their fiscal note for revenue details and the time frame for implementation of this section.

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#### General Assumptions:

1. Assumes those in the survey who responded “very likely” to buy, will buy.
2. Unless otherwise noted, revenue estimates are based on a complete year of implementation of the proposed legislation.
3. Unless noted, assumes implementation of this bill would start April 1, 2012.

#### 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.*

Section 4 – This section specifies how Discover Passes and Day-Use Permits can be sold. Section 4(1)(b) allows State Parks to make the Passes/Permits available for sale through the agency’s online reservation system.

The reservation system would need to be re-programmed by the software vendor to accommodate the selling of Passes/Permits. This is estimated to cost \$20,000. This will be a one-time cost. Discover Passes sold through the reservation system will be purchased by debit or credit card. State Parks is required to pay a credit card processing fee. Based on the amount of estimated sales through the reservation system, card processing fees will be \$6,000 per fiscal year. This will be an on-going cost.

FY13 – \$20,000 (re-programming cost) + \$6,000 (processing fees) = \$26,000  
FY14 and on = \$6,000 (processing fees)

Section 10 – Allows State Parks to use unstaffed collection stations to collect any fees or distribute permits necessary to access state parks. Each station costs an estimated \$15,000 to purchase and install, with State Parks purchasing 10 stations in the first year and 10 in the second year. These are one-time costs. There is also a licensing fee required to be paid by State Parks for each station. This fee is estimated to be \$1,500 per station per year and is an on-going cost.

FY13 – \$15,000 station costs X 10 = \$150,000  
FY14 – (\$15,000 station costs X 10) + (\$1,500 licensing fee X 10) = \$165,000  
FY 15 and on - \$1,500 licensing fee X 20 = \$30,000

Due to the time needed to re-program the reservation system and install collection stations, a July 1, 2012 implementation date is assumed for expenditures related to these sections.

Total costs  
FY 13 - \$176,000  
FY14 - \$171,000  
FY15 and on - \$36,000

All expenditures will be from Parks Renewal and Stewardship Account.

**Part III: Expenditure Detail**

**III. A - Expenditures by Object Or Purpose**

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Personal Service Contracts		20,000	20,000		
E-Goods and Services		6,000	6,000	57,000	72,000
G-Travel					
J-Capital Outlays		150,000	150,000	150,000	
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total:</b>	\$0	\$176,000	\$176,000	\$207,000	\$72,000

**Part IV: Capital Budget Impact**

NONE

**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.*

No rule-making required.

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 2373 E 2S HB	<b>Title:</b> State recreational resources	<b>Agency:</b> 477-Department of Fish and Wildlife
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**Part I: Estimates**

No Fiscal Impact

**Estimated Cash Receipts to:**

ACCOUNT	FY 2012	FY 2013	2011-13	2013-15	2015-17
State Wildlife Account-State 104-1	(800)	(2,900)	(3,700)	(5,800)	(5,800)
Recreation Access Pass Account-State 237-1	(57,000)	(229,000)	(286,000)	(458,000)	(458,000)
<b>Total \$</b>	(57,800)	(231,900)	(289,700)	(463,800)	(463,800)

**Estimated Expenditures from:**

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years	0.5	0.0	0.3	0.0	0.0
<b>Account</b>					
State Wildlife Account-State 104-1	49,900	(2,900)	47,000	(5,800)	(5,800)
<b>Total \$</b>	49,900	(2,900)	47,000	(5,800)	(5,800)

**Estimated Capital Budget Impact:**

NONE

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 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: Angeline Thomas	Phone: 360-786-7407	Date: 02/29/2012
Agency Preparation: Samantha Smithingell	Phone: (360) 902-2202	Date: 03/05/2012
Agency Approval: Owen Rowe	Phone: (360) 902-2204	Date: 03/05/2012
OFM Review: Chris Stanley	Phone: (360) 902-9810	Date: 03/05/2012

Request # 12-FN073-1

## 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 2(3) allows the Discover Pass activation date to be different than the purchase date. This will require a one-time modification to the automated licensing system.

Section 2(5) requires the Discover Pass to include space for two vehicle license plate numbers and allows the pass to be transferred between the two vehicles identified on the pass. Section 5(4) allows transferability of the WDFW Vehicle Access Pass (VAP) between two motor vehicles if license plate information for each is written on the pass. Both provisions will require modifications to the pass templates.

Section 2(5) states that agencies may charge up to \$50 for a family discover pass. A Family Discover Pass is transferable among an unlimited number of vehicles and does not require plate numbers to be documented on the pass. One-time costs are required to create the pass template and to implement customer support for the new product.

Section 2(6) allows one complimentary Discover Pass to persons who have been provided with a Lifetime Veteran's Disability Pass from the State Parks and Recreation Commission under RCW 79A.05.065.

The fiscal impact of this bill is indeterminate.

### 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.*

This bill would impact revenue for the Recreation Access Pass Account and the State Wildlife Account.

Sections 2(5) and 5(4) allow transferability between two motor vehicles if license plate information for each is written on the annual Discover Pass and VAP, respectively. Based on the "Discover Pass Survey- November 2011" provided in the State Parks and Recreation Commission fiscal note, allowing the annual pass to be transferable between two vehicles may decrease Discover Pass revenue by \$400,000 per fiscal year, from the original March 2011 survey estimate of \$32,100,000 per fiscal year.

The Washington Department of Fish and Wildlife (WDFW) estimates a reduction of cash receipts to the Recreational Access Pass Account (Fund 237) of \$400,000 per fiscal year. This reduction will be split equally between WDFW and the Department of Licensing (DOL) for a total estimated WDFW revenue reduction of \$200,000 in Fund 237.

Assuming an implementation date of April 1, 2012, revenue impact is estimated in the final three months of FY 12 and the full amount of reduced revenue in FY 13, for an estimated reduction in cash receipts to Fund 237 from WDFW collections of \$250,000 during the 2011-13 biennium.

Section 2(5) states that agencies may charge up to \$50 for a Family Discover Pass. The family pass is transferable among an unlimited number of vehicles and does not require plate numbers to be documented on the pass.

It is not currently known if the Family Discover Pass will be created or at what price it will be sold. Because the Family Discover Pass can be transferred among vehicles without restriction, excessive transfer among vehicles could result in lost Discover Pass sales. This provision has the potential to collect less revenue than would otherwise be anticipated, but the impact is indeterminate.

Section 2(6) allows one complimentary Discover Pass to persons who have been provided with a Lifetime Veteran's Disability Pass from the State Parks and Recreation Commission under RCW 79A.05.065.

Based on a November 2011 survey, lead agency Washington State Parks Department (Parks) states that approximately 60% of the 3,200 Veteran's Disability Pass holders will purchase a Discover Pass after this change. Reducing revenue to the Fund 237 by approximately \$57,600 per fiscal year. For the purpose of this fiscal note, Parks assumes that half the reduction in revenue collected for Fund 237 will occur at WDFW. Please see PAarks fiscal note for more detail.

Using the same distribution ratio for the three natural resource agencies: Parks 84%, DNR and WDFW 8% each, WDFW's loss of revenue would be approximately \$5,000 ( $\$58,000 \times 8\% = \$4,880$ ) per fiscal year to the State Wildlife Account. This revenue reduction is outlined on the Parks fiscal note.

Additionally, WDFW would lose the 10% transaction fee revenue from Discover Pass sales through the WDFW automated licensing system (WILD). As of December 2011, approximately 50% of Discover Pass sales are through the WILD system. Assuming this trend remains constant, WDFW would lose approximately \$29,000 ( $\$57,600 \times 50\% = \$28,800$ ) in Discover Pass sales, plus the 10% transaction fee revenue totaling \$2,900 per fiscal year to the State Wildlife Account.

## **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.*

Section 2(3) allows the discover pass activation date to be different from the purchase date. This provision mandates changes in WDFW's licensing system; impacts are outlined below.

Sections 2(5) and 5(4) allows an annual Discover Pass to be transferable between two motor vehicles if license plate information for each is written on the annual Discover Pass and VAP, respectively. Under section 2(5), agencies may offer a \$50 family discover pass, which is transferable among vehicles and does not require license plate numbers to be documented on the pass.

Currently, the automated licensing system does not have an option to delay or change the effective date of a Discover Pass at time of purchase. Additionally, new templates are required to establish a Family Discover Pass, and to modify the existing discover pass and VAP to include an additional space for a second license plate number.

Sections 2(3), 2(5), and 5(4) require one-time system modifications, for a total expenditure of \$50,700 from the State Wildlife Account.

One-time salary estimates total \$27,100 in FY 12. IT staff would perform system development, testing, and implementation required to modify the activation date of the discover pass, establish a new family pass template,

and modify the existing Discover Pass and VAP templates. Call center and dealer support staff would train dealers, manage customer support, and develop new processes to implement the new Family Discover Pass, or gift passes, as outlined in sections 2(3) and 2(5).

A minimum of 90-days are necessary to implement the activation date change and a new Family Discover Pass. These licensing system changes would be made during the last three months of FY 12, assuming an implementation date of April 1, 2012.

Section 2(5) introduces a Family Discover Pass that can be sold for no more than \$50. Any cash expenditures from the State Wildlife Account (104-1) to support the automated licensing system for Family Discover Pass sales would be indeterminate.

Reduced WDFW transaction fee payments to the WILD vendor and other miscellaneous cost reductions such as communication, merchant processing and 24/7 call center support are shown as a savings in Object E totaling \$800 in FY 12 and \$2900 per fiscal year thereafter. These cost reductions are directly tied to the anticipated Discover Pass revenue reduction detailed in the cash receipts section of this fiscal note.

Object E also includes \$6,000/FTE/FY for WDFW standard costs, which is intended to cover an average employee's supplies, communications, training, and subscription costs per year.

An overhead rate of 23.51% is included in object E, and is calculated based on cost estimates for eligible objects each fiscal year.

### Part III: Expenditure Detail

#### III. A - Expenditures by Object Or Purpose

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years	0.5		0.3		
A-Salaries and Wages	27,100		27,100		
B-Employee Benefits	10,500		10,500		
C-Personal Service Contracts					
E-Goods and Services	12,300	(2,900)	9,400	(5,800)	(5,800)
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-					
<b>Total:</b>	\$49,900	\$(2,900)	\$47,000	\$(5,800)	\$(5,800)

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

<b>Job Classification</b>	<b>Salary</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>2011-13</b>	<b>2013-15</b>	<b>2015-17</b>
Customer Service Specialist 2	36,652	0.1		0.1		
Customer Service Specialist 3	39,312	0.1		0.0		
Customer Service Specialist 4	43,368	0.0		0.0		
IT Specialist 3	62,796	0.0		0.0		
IT Specialist 5	76,536	0.1		0.1		
IT Technician 1	38,328	0.1		0.0		
Management Analyst 3	52,872	0.1		0.1		
<b>Total FTE's</b>	<b>349,864</b>	<b>0.5</b>		<b>0.3</b>		<b>0.0</b>

**Part IV: Capital Budget Impact**

NONE

**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.*

There is a possibility of rule making. The three agencies will determine the need based on the outcome of legislative changes.

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 2373 E 2S HB	<b>Title:</b> State recreational resources	<b>Agency:</b> 490-Department of Natural Resources
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## Part I: Estimates

**No Fiscal Impact**

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 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: Angeline Thomas	Phone: 360-786-7407	Date: 02/29/2012
Agency Preparation: Pouth Ing	Phone: (360) 902-1021	Date: 03/01/2012
Agency Approval: Lisa Largent	Phone: 360-902-1093	Date: 03/01/2012
OFM Review: Chris Stanley	Phone: (360) 902-9810	Date: 03/01/2012

Request # 12-59-1

Bill # 2373 E 2S HB

## 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 2(2) cost of the Discover Pass is thirty dollars.

Section 2(5) adds a second license plate line to the Discover Pass. However, the agencies may offer for sale a family discover pass that is fully transferable among vehicles and does not require the placement of a license plate number on the pass to be valid. Agencies must collectively set a price for the sale of a family discover pass that is no more than fifty dollars.

Section 2(6) allows for one complimentary Discover Pass to a person with a lifetime veteran's disability pass from State Parks.

Section 3 day-use permit is ten dollars per day.

Under current law, money received from the sale of the Discover Passes and Day-Use Permits is deposited in the Recreation Access Pass Account. In turn, funds from the Recreation Access Pass are deposited into certain specified accounts (84% Parks, 8% WDFW, 8% DNR). Section 2 adds a second license plate line to the Discover Pass. See State Parks fiscal note on any available revenue reductions to the natural resource agencies.

RCW 43.30.395 establishes the uses of the park land trust revolving fund. Section (3)c specifies that the proceeds from the Recreation Access Pass Account be solely used for the purpose of operating and maintaining public use and recreation facilities, including trails, managed by DNR. Discover Pass revenues provide DNR with the ability to direct public access to designated recreation trails and facilities and appropriate behavior so that trust assets and the environment can be protected. This bill does not change RCW 43.30.395, so there's no specified expenditure fiscal impact from this bill. However, reducing the DNR Recreation program's Discover Pass funding would result in a biennial spending reduction, which would be reflected in reduced recreation trail and facility maintenance, signage, maps, education and enforcement, and restoration of recreation areas heavily impacted by unauthorized use.

### 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.*

No impact.

### 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.*

No impact.

## Part III: Expenditure Detail

## Part IV: Capital Budget Impact

NONE

No impact.

**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.*

None.



# Multiple Agency Ten-Year Analysis Summary

<b>Bill Number</b> 2373 E 2S HB	<b>Title</b> State recreational resources
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This ten-year analysis is limited to the estimated cash receipts associated with the proposed tax or fee increases.

## Estimated Cash Receipts

	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	2012-21 TOTAL
Office of State Treasurer	0	0	0	0	0	0	0	0	0	0	0
Department of Revenue	0	0	0	0	0	0	0	0	0	0	0
Department of Licensing	0	1,392,000	2,104,700	2,121,500	0	0	0	0	0	0	5,618,200
State Parks and Recreation Comm (Non-zero but indeterminate impact)	0	0	0	0	0	0	0	0	0	0	0
Department of Fish and Wildlife (Non-zero but indeterminate impact)	0	0	0	0	0	0	0	0	0	0	0
Department of Natural Resources	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>1,392,000</b>	<b>2,104,700</b>	<b>2,121,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,618,200</b>



# Ten-Year Analysis

<b>Bill Number</b> 2373 E 2S HB	<b>Title</b> State recreational resources	<b>Agency</b> 090 Office of State Treasurer
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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**

Name of Tax or Fee	Acct Code											

Agency Preparation: Dan Mason	Phone: 360-902-9090	Date: 3/2/2012 1:16:05 pm
Agency Approval: Dan Mason	Phone: 360-902-9090	Date: 3/2/2012 1:16:05 pm
OFM Review: Chris Stanley	Phone: (360) 902-9810	Date: 3/5/2012 4:07:50 pm



# Ten-Year Analysis

<b>Bill Number</b> 2373 E 2S HB	<b>Title</b> State recreational resources	<b>Agency</b> 140 Department of Revenue
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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**

Name of Tax or Fee	Acct Code												
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## Narrative Explanation (Required for Indeterminate Cash Receipts)

No impact to state revenues administered by the Department of Revenue.

Agency Preparation: Diana Tibbetts	Phone: 360-534-1520	Date: 2/29/2012 4:18:27 pm
Agency Approval: Don Gutmann	Phone: 360-534-1510	Date: 2/29/2012 4:18:27 pm
OFM Review: Chris Stanley	Phone: (360) 902-9810	Date: 3/5/2012 4:07:50 pm



# Ten-Year Analysis

<b>Bill Number</b> 2373 E 2S HB	<b>Title</b> State recreational resources	<b>Agency</b> 240 Department of Licensing
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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 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	2012-21 TOTAL
Parks Support Fee	269		1,392,000	2,104,700	2,121,500							5,618,200
<b>Total</b>			<b>1,392,000</b>	<b>2,104,700</b>	<b>2,121,500</b>							<b>5,618,200</b>
<b>Biennial Totals</b>			<b>1,392,000</b>	<b>4,226,200</b>								<b>5,618,200</b>

## Narrative Explanation (Required for Indeterminate Cash Receipts)

### Discover Pass

State Parks conducted a survey in November 2011, which reflected that the current legislation will likely earn less revenue than the initial Discover Pass survey in March 2011. In March, the survey reflected that approximately 30.5% of all households would purchase the Discover Pass, which is different from the current survey, which shows that about 19.4% would buy the pass under the current legislation. According to the survey, changing the annual Discover Pass so that it can be used for two license plates, should earn less revenue than the original bill's estimate. State Parks assumes that DOL and Washington Department of Fish and Wildlife would each have 50% of the \$400,000 anticipated annual reduction in revenue. Per discussion with State Parks, even though DOL will increase the availability of the Discover Pass by selling them in driver licensing offices, there is no assumption of increased demand as a result. An annual revenue loss of \$200,000 is assumed for DOL's portion of Discover Pass sales because these passes will be made available for use on more than one vehicle. A revenue loss of \$50,000 is estimated for Fiscal Year 2012 due to the assumed effective date of April 1, 2012.

### Day-use Permits

It is assumed that sales of Day-use permits at DOL offices as a result of this proposed legislation will be minimal or non-existent. Therefore, there is no revenue included in this analysis for Day-use permits.

### New \$10 State Parks Support Fee

This new fee will be collected on registrations for recreational vehicles (campers, motor homes, and travel trailers) until July 1, 2015. The November 2011 Vehicle Registration Forecast as adopted by the Transportation Revenue Forecast Council was used to estimate the Parks Support Fees distributed to the Parks Renewal and



# Ten-Year Analysis

Revised

<b>Bill Number</b> 2373 E 2S HB	<b>Title</b> State recreational resources	<b>Agency</b> 240 Department of Licensing
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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>.

## Narrative Explanation (Required for Indeterminate Cash Receipts)

Stewardship Account until it sunsets on July 1, 2015. The assumed implementation date for collections of the State Parks Support Fee is October 1, 2012 due to the time needed to program DOL's computer systems and therefore Fiscal Year 2013 reflects nine months of collections.

The fifteen minute short-term parking allowance before a fee is due for a Discover Pass or Day-Use Pass in this bill is a reduction from the thirty minute allowance in current law and, therefore, could be perceived as a fee increase.

Agency Preparation: Sally McVaugh	Phone: (360) 902-3642	Date: 3/9/2012 3:37:05 pm
Agency Approval: Sam Knutson	Phone: (360) 902-3644	Date: 3/9/2012 3:37:05 pm
OFM Review: Chris Stanley	Phone: (360) 902-9810	Date: 3/5/2012 4:07:50 pm



# Ten-Year Analysis

<b>Bill Number</b> 2373 E 2S HB	<b>Title</b> State recreational resources	<b>Agency</b> 465 State Parks and Recreation Comm
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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											
<b>Total</b>												

### Biennial Totals

## Narrative Explanation (Required for Indeterminate Cash Receipts)

Currently, thirty minutes of free parking is allowed before a Discover Pass or Day-Use Pass is required. This bill reduces the short-term parking allowance before a fee is due for a Discover Pass or Day-Use Pass from the thirty minute allowance to fifteen minutes, and therefore could be perceived as a fee increase.

There is no violation data on which to base an estimate or determine if additional people would purchase a Discover Pass or Day-Use Pass as a result of this change in the free parking allowance. The impact is indeterminate and likely to be minimal.

Agency Preparation: Brian Myhre	Phone: 360-902-8621	Date: 3/5/2012 2:24:27 pm
Agency Approval: Tanya Deuel	Phone: 360-902-8539	Date: 3/5/2012 2:24:27 pm
OFM Review: Chris Stanley	Phone: (360) 902-9810	Date: 3/5/2012 4:07:50 pm



# Ten-Year Analysis

<b>Bill Number</b> 2373 E 2S HB	<b>Title</b> State recreational resources	<b>Agency</b> 477 Department of Fish and Wildlife
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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											
<b>Total</b>												

### Biennial Totals

## Narrative Explanation (Required for Indeterminate Cash Receipts)

Currently, thirty minutes of free parking is allowed before a Discover Pass or Day-Use Pass is required. This bill reduces the short-term parking allowance before a fee is due for a Discover Pass or Day-Use Pass from the thirty minute allowance to fifteen minutes, and therefore could be perceived as a fee increase.

There is no violation data on which to base an estimate or determine if additional people would purchase a Discover Pass or Day-Use Pass as a result of this change in the free parking allowance. The impact is indeterminate and likely minimal.

Agency Preparation: Samantha Smithingell	Phone: (360) 902-2202	Date: 3/5/2012 3:53:21 pm
Agency Approval: Owen Rowe	Phone: (360) 902-2204	Date: 3/5/2012 3:53:21 pm
OFM Review: Chris Stanley	Phone: (360) 902-9810	Date: 3/5/2012 4:07:50 pm



# Ten-Year Analysis

<b>Bill Number</b> 2373 E 2S HB	<b>Title</b> State recreational resources	<b>Agency</b> 490 Department of Natural Resources
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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**

Name of Tax or Fee	Acct Code												
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Agency Preparation: Pouth Ing	Phone: (360) 902-1021	Date: 3/1/2012 5:20:27 pm
Agency Approval: Lisa Largent	Phone: 360-902-1093	Date: 3/1/2012 5:20:27 pm
OFM Review: Chris Stanley	Phone: (360) 902-9810	Date: 3/5/2012 4:07:50 pm