

# Vehicle Registration Payment Plans

December 2020

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### Report Introduction and Overview

Engrossed Substitute House Bill 2322, Section 208 (36) adopted during the 2020 Legislative Session directed the Department of Licensing (DOL) to complete the following report:

*A proposed plan to allow the registered owner of a vehicle, or the registered owner's authorized representative, to voluntarily enter into either a quarterly or monthly payment plan with the department to pay vehicle fees or taxes due at the time of application for renewal vehicle registration.*

*The plan must include:*

- (a) An analysis of the administrative costs associated with allowing the payment plans;*
- (b) The estimated revenue impact by fund or account, including impacts to local governments; and*
- (c) The recommended method to achieve the greatest level of customer payment compliance.*

### Overview

This report describes how vehicle registration payment plans could be structured in our state to fit within the vehicle licensing system. The first section is primarily background on current law, a brief description of other states that offer payment plans, and statistics about vehicle registration taxes and fees. The second section describes how DOL would structure a vehicle payment plan, including the ways customers could pay and the consequences for non-payment. This section also includes the estimated costs to DOL to implement the system, the time needed for implementation, and the estimated statewide revenue impacts.

Overall, we strived to design the payment plan system in a way that offered customers choices, leveraged existing systems and channels to receive service, and provided sufficient enforcement authority. Under this proposal, customers could choose a monthly or quarterly payment plan when renewing their registration. They would have the option of making payments online through DOL's website, through the mail, or at a vehicle licensing office. DOL would not issue prorated tabs to customers participating in a payment plan, but customers would not be able to renew their vehicle registration if they did not make their payments.

The vehicle registration payment plan system described in this report would result in an estimated revenue loss to the state of about \$9 million in the 2021-2023 biennium and \$22.5 million in the 2023-2025 biennium. In addition, DOL's costs to implement and administer this system would be about \$2.8 million in the 2021-2023 biennium and \$4.1 million in the 2023-2025 biennium. Given the significant fiscal impacts, we've provided some options to reduce the revenue loss and administrative costs, including a dollar threshold for eligibility (e.g. \$200) and only allowing quarterly payment plans. As directed, the report also includes DOL's

### Report Introduction and Overview (continued)

recommendations to improve customer compliance, which includes allowing DOL to put a hold on vehicle registration renewal for non-payment, allowing late fees to be assessed, and only allowing quarterly payment plans.

This report does not answer every question that will arise regarding vehicle payment plans. Significantly, it does not address service fees for vehicle agents and subagents when payments are processed at a vehicle licensing office. We have included statements from the Washington Association of County Auditors (WSACA) and Washington Association of Vehicle Subagents (WAVS) in the appendix of the report to capture their feedback on a vehicle payment plan system.

#### Definitions:

Agent: County auditor or King County Records and Licensing Services that provides vehicle registration and certificate of title services.

Subagent: A person or governmental entity recommended by a county auditor or other agent and appointed by the director of DOL to provide vehicle registration and certificate of title services.

Vehicle Licensing Office (VLO): The location where the respective Agent or Subagent carries out the duties. This location can accept mailed registration documents and walk-in customers, who wish to conduct their transaction in person. The Department of Licensing does not have a customer counter for walk-in transactions, however the agency does accept mailed registration documents for processing.

### Vehicle registration statistics

Currently Registered Vehicles and Vessels (as of 06/30/2020)	
Vehicles	7,937,666
Motorcycles	236,085
Vessels	240,400

Vehicle Renewal Transactions by Channel		
Channel	FY2020 Count	Percent
Office	3,012,124	48%
Internet	2,717,536	43%
Mail	604,210	10%
<b>Total</b>	<b>6,333,870</b>	

### Proviso Background

#### Background:

In the current vehicle licensing system and as directed in state statute, customers are required to renew their vehicle registrations on an annual basis. Per [RCW 46.16A.110](#), “the application for a renewal vehicle registration must be accompanied by a draft, money order, certified bank check, or cash for all fees and taxes required” and does not allow the customer to pay their vehicle registration in increments, such as monthly or quarterly installments. The Department’s data shows that the minimum registration renewal for a vehicle is \$68.25, however some customers; specifically those in the Regional Transit Authority (RTA) counties of Pierce, King and Snohomish, may be charged hundreds of dollars. Additional factors such as the electric vehicle fee, transportation electrification fees, and gross weight fees can make the total amount due even higher.

For the past several legislative sessions, there have been numerous bills proposed that would have authorized payment plan options for customers that are charged an RTA tax or for customers with a vehicle registration over a certain amount (i.e. over \$200). However, no legislation has been proposed to authorize payment plan options for the full amount of a vehicle registration renewal amount and for customers outside of the RTA districts.

During the 2020 legislation session, the legislature proposed Senate Bill (SB) 6606 which, if enacted, would have allowed vehicle owners subject to a motor vehicle excise tax (MVET) to pay the tax using a Good to Go! account through the Department of Transportation (WSDOT) by entering into a quarterly or monthly payment plan. While this type of program may have been convenient for customers to pay their vehicle taxes, the implementation and operation of such a program would be extremely challenging for both agencies. There are numerous complexities to integrating the operation systems of two different agencies together including building multiple interfaces and platforms. However, there are more immediate challenges with the timing of WSDOT’s system modernization project. Because of the ongoing modernization project, any integrated payment program with the Go to Go! system would be delayed until the project was completed and would require additional programming and implementation time to build the necessary interfaces, once the project was completed. (Please see Appendix B for WSDOT’s statement)

Several other states offer payment plan options for various vehicle services such as title and registration services, change of address, motor vehicle records and driver licenses. Most of these states use a third-party vendor to offer this service, which typically charges specialized service fees to cover this convenience. California, in particular, has partnered with an online vehicle registration renewal program since 2016 to offer vehicle owners the option to pay their registration and service fees with a 3, 6, or 12 month plan and offers limited title services, which customers are charged a \$29.95 service fee to use. In a different California program, customers can sign up for a monthly payment plan through an electronic registration service and have their payments charged from a credit card or bank account number on a specific date. For this service, customers are charged a 3.5%+ \$.30 processor fee for each transaction.

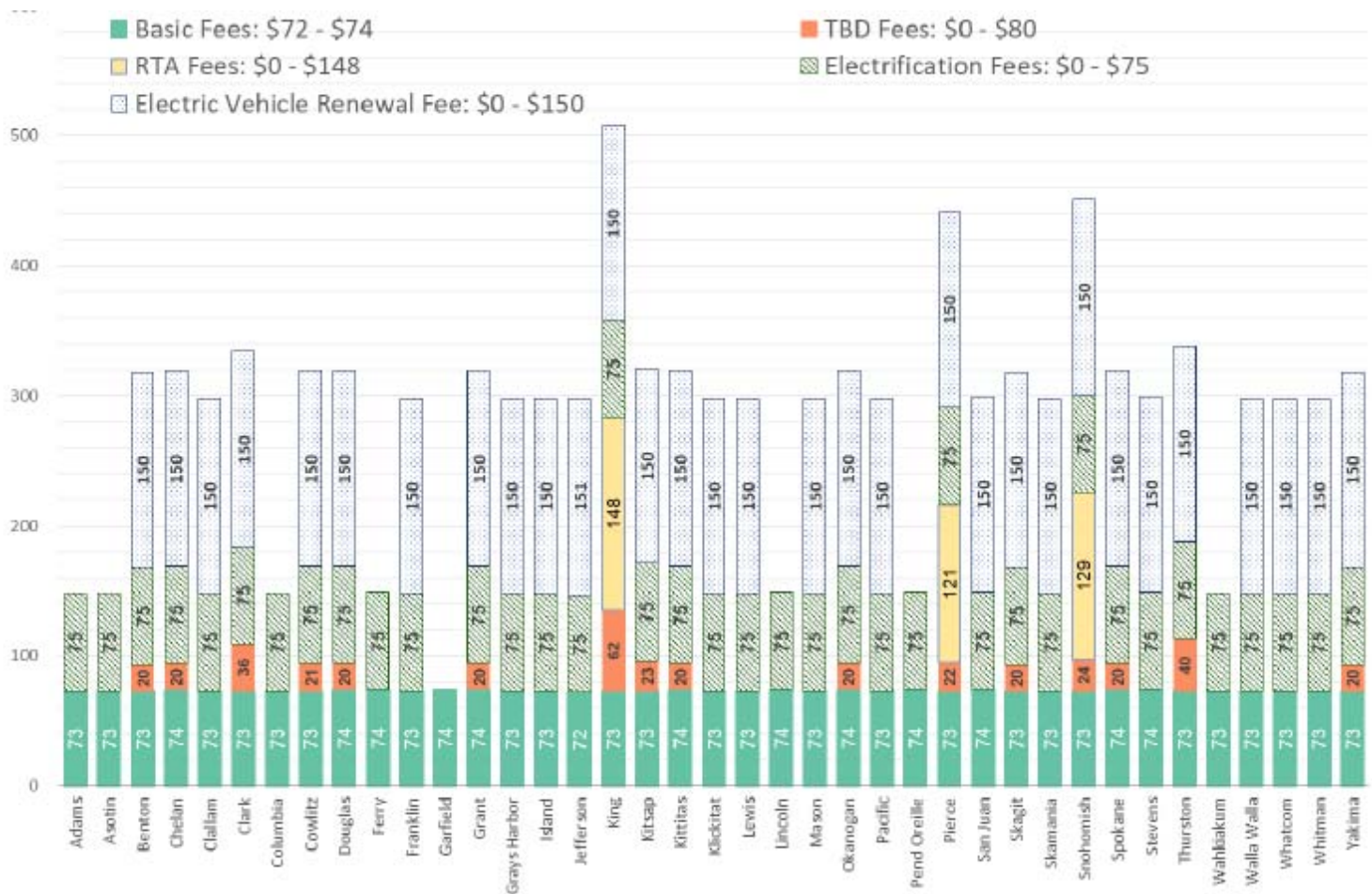
## Common vehicle registration renewal taxes and fees

Fee/Tax	Authority	Amount(s)
Filing fee	<a href="#">RCW 46.17.005</a>	\$4.50 – registration only*
Service fee	<a href="#">RCW 46.17.040</a>	\$8 – registration only*
License plate technology fee	<a href="#">RCW 46.17.015</a>	\$0.25
License service fee	<a href="#">RCW 46.17.025</a>	\$0.50
License fee	<a href="#">RCW 46.17.350</a>	\$30.00
Vehicle weight	<a href="#">RCW 46.17.365</a>	4,000 lbs. \$ 25.00 6,000 lbs. \$ 45.00 8,000 lbs. \$ 65.00 16,000 lbs.+ \$ 72.00
Electric vehicle registration renewal fee	<a href="#">RCW 46.17.323</a>	\$100 + \$50 = \$ 150
Transportation electrification fees (electric and hybrid)	<a href="#">RCW 46.17.324</a>	\$75.00
Regional Transit Authority (RTA)/motor vehicle excise tax	<a href="#">RCW 81.104.160</a>	Tax varies by vehicle valuation
Transportation benefit district (TBD)fees	<a href="#">RCW 36.73.065</a> <a href="#">RCW 82.80.140</a>	Fee varies; \$20-\$80 by location
Note: if a transaction also includes a title service, some of these fees may increase.		

FISCAL YEAR 2020 PASSENGER VEHICLE BASIC FEES = STANDARD FEES + VEHICLE WEIGHT			
<b>Standard fees</b>			
Registration License	\$30		
County Filing Fee	\$4.50		
License Service Fee	\$0.75		
Service Fee	\$8		
			<b>\$43.25 standard fee</b>
<b>+ Vehicle Weight</b>			
0 - 4,000 pounds	\$25		
4,001 - 6,000 pounds	\$45		
6,001 - 8,000 pounds	\$65		
8,000 pounds and over	\$72		
			<b>+ vehicle weight fee</b>

## Average vehicle registration renewal fees by county

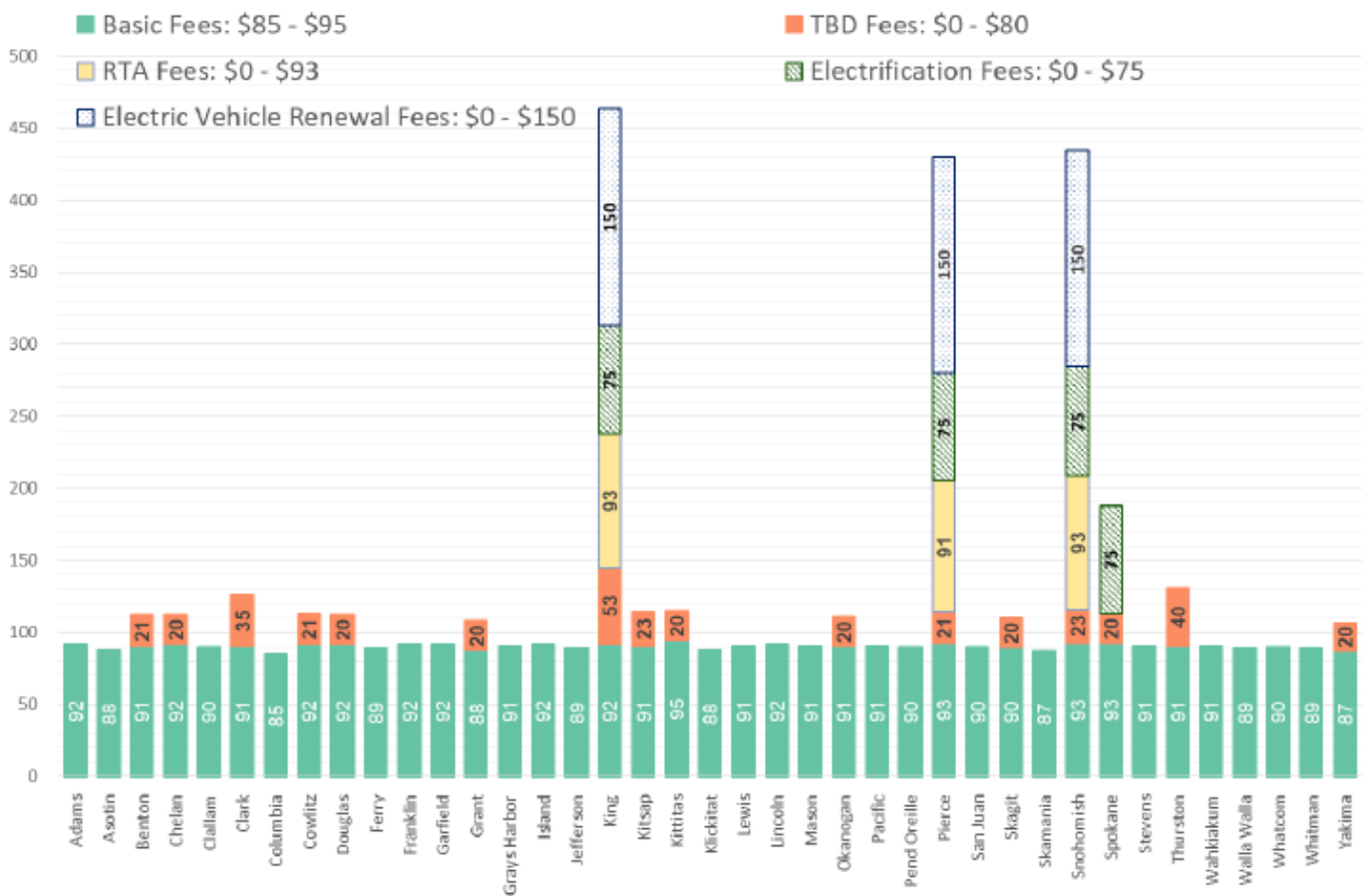
**Average Passenger Vehicle Registration Renewal Fees by County**  
**Fiscal Year 2020**



Note: Some counties do not include Electric Vehicle Renewal fees or Electrification fees because there were no registered vehicles that qualified for those fees during the time period.

## Average vehicle registration renewal fees by county (continued)

### Average Light-Duty Truck Registration Renewal Fees by County Fiscal Year 2020



Note: Some counties do not include Electric Vehicle Renewal fees or Electrification fees because there were no registered vehicles that qualified for those fees during the time period.



### Proposed Overview

#### Overview of Proposed plan:

- Choice of **Quarterly** or **monthly** payment plans
- Customers could make payments **online, by mail, or in a Vehicle Licensing Office**
- All vehicle registration taxes and fees could be paid by payment plan, except the service, filing, and licensing technology fees would be paid upfront and not prorated. (see next page for more detail)
- Customers would be required to sign-up for the payment plan upon registration renewal and then the taxes and fees owed would be prorated for equal amounts.
- At registration, customers would receive the standard registration document and month and year tabs for their license plate.
- Customers that default on their payments would have their vehicle record flagged (for law enforcement) and would be **unable to renew their registration, until all past fees were paid.**

#### Participation:

- Estimated participation in payment plans: **20% or 1.3 million vehicles\***  
(\*estimated to increase as awareness increases)
- We expect a high volume of online only payments for those that choose payments plan (approx. 55% of plan participants)

#### Implementation:

Total of **16 months** for implementation (13 months for programming, 3 additional months for changes to vehicle renewal notices.

#### Administration of proposed plan:

DOL estimates that it will need additional staff to successfully administer this proposed plan. These staff include customer service support, accounting, budget and forecasting, and mailroom staff.

### Proposed Assumptions

#### Additional details on payment plan option proposal:

- Payment plans would be administered solely by DOL and will not be integrated into any other state agency system such as Good to Go.
- Payment plans can only be for vehicle registration renewal fees and cannot be used for initial (original) registration or title services.
- Customers would need to sign-up for the payment plan upon registration renewal and then the taxes and fees owed would be prorated for equal amounts; either on a quarterly or monthly basis.
- Customers would have a choice to submit monthly or quarterly payments multiple ways: online, by mail, or in a vehicle licensing office.
- Payments made on the plan, after the initial payment are not subject to:
  - a. Service Fees - \$8.00 (RCW 46.17.040(1)(b))
  - b. Filing Fees - \$4.50 (RCW 46.17.005)
  - c. License Service Fee - \$0.50 (RCW 46.17.025)
  - d. License Plate Technology Fee - \$0.25 (RCW 46.17.015)
- Transactions would be subject to the current debit/credit card transaction fees:  
Card payment fee for online transactions = 3% of transaction amount.  
In-office debit/credit card transactions would be charged the current fees.
  - If using a debit card, the convenience fee adds \$2.25.
  - If using a credit card, the convenience fee adds:
    - \$2.25 if your transaction total is \$75 or less.
    - 3% of your transaction total is over \$75.

(Customers that wish to avoid the transaction fee can submit their checking account information online, to be processed as an ACH instead)

- Upon initial (original) transaction, customers would be issued a registration document and the month and year license plate tabs. **Customers on payment plans would not receive new documents or tabs each month/quarter.**
- Complete amount due annually must be paid before the customer can renew for the subsequent year. The Department would not cancel registration if the customer defaults on the payment plan, however a customer would just not be able to renew the registration until all amounts are paid and a flag would appear on the record for law enforcement purposes, indicating the registration is expired/delinquent.
- Customers can still be assessed a shortage or issued a refund, per our current process.

### Proposed Assumptions (continued)

Items not under consideration/out of scope for proposal:

- Service fees collected by vehicle licensing agents and subagents. Some items the Legislature may want to consider include:
  - a. What transactions should be subject to a service fee? For example, some customers may pay online while others could mail-in a payment or visit a vehicle licensing office to pay in person.
  - b. What is the appropriate amount to charge for a service fee? WSACA recommends \$4 for each payment (see appendix for more details).
- Title services (proviso only directed payment plans for vehicle registrations)
- Vessel registrations (proviso only directed payment plans for vehicle registrations)
- Use of a third-party company or vendor to administer payment plans.  
While a third-party vendor to process and manage payment plans could be an option for Washington, this report asked for a proposed plan administered by the Department itself. Additional considerations for a third-party vendor would include: procurement/contracting, ongoing administration and maintenance fees, and possible data sharing with outside parties.
- Administrative fees to cover DOL implementation and administration  
(Previous legislation regarding payment plans directed that a 1% administrative fee be collected for all payments to cover the implementation and administrative costs for the State)

## Fiscal Estimate

DOL estimates that the vehicle registration payment plan system described in this report would result in a revenue loss to the state of about \$9 million in the 2021-2023 biennium and \$22.5 million in the 2023-2025 biennium. The estimated reduction by fund and a detailed explanation of assumptions are provided below.

In addition, DOL's costs to implement and administer this system would be about \$2.8 million in the 2021-2023 biennium and \$4.2 million in the 2023-2025 biennium. A detailed description of the information and technology and staffing needs is provided below.

*This estimate is for implementing and administering a quarterly and monthly payment plan option for vehicle registration renewal taxes and fees. Fiscal estimate only – not a fiscal note*

### Estimated Cash Receipts:

Account Name	Account	FY 22	FY 23	21-23 Total	23-25 Total	25-27 Total
State Patrol Highway Account	081	-	(2,676,000)	(2,676,000)	(7,317,000)	(7,549,000)
Transportation Partnership Account	09H	-	(241,000)	(241,000)	(659,000)	(677,000)
Motor Vehicle	108	-	(1,935,000)	(1,935,000)	(5,489,000)	(6,863,000)
Puget Sound Ferry Operations Account	109	-	(116,000)	(116,000)	(317,000)	(326,000)
Electric Vehicle	20J	-	(254,000)	(254,000)	(783,000)	-
Multimodal Transportation Account	218	-	(3,719,000)	(3,719,000)	(7,612,000)	(7,861,000)
Transportation 2003 Account (Nickel Account)	550	-	(110,000)	(110,000)	(300,000)	(307,000)
<b>Account Totals</b>		-	<b>(9,051,000)</b>	<b>(9,051,000)</b>	<b>(22,477,000)</b>	<b>(23,583,000)</b>

### Cash Receipt Impact

For additional information and data on cash receipt impacts, please see the section of this report entitled "Impacts to State Revenue"

### Estimated Expenditures:

		FY 22	FY 23	21-23 Total	23-25 Total	25-27 Total
FTE Staff Years		1.3	23.3	12.4	23.2	23.2
Account Name	Account	FY 22	FY 23	21-23 Total	23-25 Total	25-27 Total
Motor Vehicle	108	680,000	2,114,000	2,794,000	4,164,000	4,164,000
<b>Account Totals</b>		<b>680,000</b>	<b>2,114,000</b>	<b>2,794,000</b>	<b>4,164,000</b>	<b>4,164,000</b>

Fiscal impacts represented in this estimate apply to staffing for operational implementation and management, and modifications to DOL technology.

### Expenditures

In order to implement this proposed payment plan option, DOL will need the following resources. The position classifications provided below are assumed necessary for the implementation and administration of this new program. Workload indicators are provided for context. These resources are assumed for the proposed plan only. Any additional requirements or systems in proposed legislation may also require additional resources.

### Fiscal Estimate (continued)

**Driver and Vehicle Records Unit** – Program and Services Division needs in FY2023 and ongoing:

- **7.5 FTE** Customer Service Specialist (CSS) 2 to update customer records for payments mailed directly to DOL, add a shortage, and remove the payment plan indicator from a record, if DOL did not receive payment.

**Vehicle and Vessel Operations Unit** – Customer Relations Division needs in FY2023 and ongoing:

- **1.0 FTE** Vehicle Services Liaison Officer (VSLO) 2 to support the Vehicle Licensing Offices and provide training and communication.

**Accounting Office** - Administrative Services Division (ASD) needs in FY2023 and ongoing:

- **10.0 FTE**
  - 4.0 FTE Fiscal Technician 2 for validation rooms.
  - 2.0 Fiscal Analyst 2 (FA2) to process and reconcile credit card and ACH payments.
  - 2.0 FA2 to keep our Accounts Receivable records reconciled.
  - 2.0 FA2 to handle additional deposit responsibilities.

**Mail Room** – ASD needs in FY2023 and ongoing:

- **1.0 FTE** Office Assistant 3 (OA3) to process any payments mailed directly to the Department of Licensing (DOL) and provide any additional imaging support, if required.

**Budget and Forecasting Office** – ASD needs in FY2023 and ongoing:

- **0.5 FTE** Tax Policy Specialist 3 to track participation data on a monthly basis, develop and adjust forecast in coordination with the Department of Transportation.

**Information Services:** DOL will implement the following changes to DRIVES:

1. Logic and screen changes that include indicators for payment plan and defaulted payment plans, new activity to modify accounts in payment plans, new payment plan process that includes entering plan/making payments/tracking payments, and modify batch process for multiple combined records to allow payment plan option.
2. New or modify letters to add information to renewal notices (paper and electronic) including fleets, online renewal receipt, and new letters for entering payment plan or defaults in plan.
3. Financial changes that include tracking debt on payments in receivables ledger, logic for providing/tracking/calculating motor vehicle excise tax credit.
4. New reports for new payment plan.
5. Online logic and screen changes that include, a new online tool to accept payments for payment plan accounts, and modify online renewal to allow customers to sign up for plan that includes calculating amount due.
6. Security changes to provide access to new activities, including payment plan information.

## Fiscal Estimate (continued)

The agency will use appropriated funds to hire contract programmers to accomplish this work or to support current staff implementing this legislation within the required timeline. Appropriated funds may also be used to hire agency temporary staff to support permanent staff assigned to this legislative effort.

Any change requires a process to ensure changes are correctly applied to the system. This involves Project Managers that manage the team that completes the update, business analyst that documents and reviews the system changes, architect services that analyzes how the update could have an effect on other systems or DOL processes, developers who create the change, and testers and quality assurance teams that ensure the update is working correctly.

Cost Category	Description	Rate	2022	2023	2024	2025	2026	2027	Total Cost
TESTER	Test to verify individual components meet requirements; ensure that other business transactions have not been impacted.	\$ 18,444	95,900	-	-	-	-	-	95,900
BUSINESS ANALYST	Determine business requirements; translate requirements into what changes are needed to various systems including account codes, inventory codes, testing considerations, etc.	\$ 26,448	37,000	-	-	-	-	-	37,000
PROJECT MANAGER	Manage schedule and contracts	\$ 27,492	30,200	-	-	-	-	-	30,200
QUALITY ASSURANCE	Plan and carry out activities to assure project deliverables; e.g. preventative defect activities, align quality measures and business objectives.	\$ 31,668	120,300	-	-	-	-	-	120,300
SECURITY AND ARCHITECT SERVICES	Create the conceptual model that defines the structure, behavior and framework of a computerized system including a breakdown of the system into components, the component interactions and interfaces (including with the environment, especially the user), and the technologies and resources to be used in the design.	\$ 27,144	19,000	-	-	-	-	-	19,000
CONTRACTED FAST DEVELOPER / TESTER	Updates to the DRIVES system will require additional vendor hours outside of the contracted maintenance to make system updates to implement this bill.	\$ 34,800	187,900	-	-	-	-	-	187,900
Project Contingency	Office of the Chief Information Officer designated rate of 10%	\$ -	49,000	-	-	-	-	-	49,000
<b>Totals</b>			<b>539,300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>539,300</b>

### Support Services:

Agency Administrative Overhead is included at a rate of 26 percent of the direct program costs. This funding received covers agency-wide functions such as vendor payments, contract administration, financial management, mail processing, equipment management, help desk support, and technical assistance to DOL employees.

### Expenditure Detail

#### Expenditures by Object or Purpose

Object Name	FY 22	FY 23	21-23 Total	23-25 Total	25-27 Total
FTE Staff Years	1.3	23.3	12.4	23.2	23.2
Salaries and Wages	85,000	1,191,000	1,276,000	2,374,000	2,374,000
Employee Benefits	34,000	528,000	562,000	1,052,000	1,052,000
Goods and Services	560,000	359,000	919,000	716,000	716,000
Equipment	1,000	36,000	37,000	22,000	22,000
<b>Total By Object Type</b>	<b>680,000</b>	<b>2,114,000</b>	<b>2,794,000</b>	<b>4,164,000</b>	<b>4,164,000</b>

## Fiscal Estimate (continued)

### Detail of Expenditures by Sub-Object (Goods and Services Only)

Object E - Description	FY 22	FY 23	21-23 Total	23-25 Total	25-27 Total
EA - General Office Supplies	480	8,390	8,870	16,740	16,740
EB - Phone/Install/Usage	1,090	18,720	19,810	37,340	37,340
EC - Utilities	520	8,990	9,510	17,920	17,920
ED - Facility/Lease Costs	6,590	114,130	120,720	227,660	227,660
EE - Repairs, Alterations & Maintenance	250	4,390	4,640	8,740	8,740
EG - Training	190	3,270	3,460	6,500	6,500
EH - Manage Print Services	430	7,510	7,940	14,980	14,980
EK - Facilities and Services	1,550	26,810	28,360	53,480	53,480
EL - Interagency DP Svcs	7,310	126,570	133,880	252,460	252,460
EN - Personnel Services	480	8,230	8,710	16,420	16,420
ER - Contracted Costs	120	2,050	2,170	4,100	4,100
ER - Application Programmers	539,300	-	539,300	-	-
EY - Software Maintenance	1,710	29,690	31,400	59,240	59,240
<b>Total Goods &amp; Services</b>	<b>560,000</b>	<b>359,000</b>	<b>919,000</b>	<b>716,000</b>	<b>716,000</b>

Totals may differ due to rounding.

### FTE Detail

Position	Salary	FY 22	FY 23	21-23 Total	23-25 Total	25-27 Total
Vehicle Services Liaison Officer 2	4,738	0.0	1.0	0.5	1.0	1.0
Customer Service Specialist 2	3,792	0.0	7.5	3.8	7.5	7.5
Office Assistant 3	3,535	0.0	1.0	0.5	1.0	1.0
Tax Policy Specialist 3	7,761	0.0	0.5	0.3	0.5	0.5
Fiscal Technician 2	3,535	0.0	4.0	2.0	4.0	4.0
Fiscal Analyst 2	4,509	0.0	6.0	3.0	6.0	6.0
Indirect ADM Fiscal Analyst 2	4,509	0.9	2.3	1.6	2.2	2.2
Indirect ISD IT Cust. Support - Journey	6,991	0.4	1.0	0.7	1.0	1.0
<b>Total FTE</b>		<b>1.3</b>	<b>23.3</b>	<b>12.4</b>	<b>23.2</b>	<b>23.2</b>

Totals may differ due to rounding.

### Expenditures by Program (Optional)

Program		FY 22	FY 23	21-23 Total	23-25 Total	25-27 Total
100 - Mgmt & Support Services	ADM	81,000	1,183,000	1,264,000	2,308,000	2,308,000
200 - Information Services	ISD	591,000	126,000	717,000	248,000	248,000
300 - Customer Relations	CRD	-	91,000	91,000	182,000	182,000
600 - Programs & Services	PSD	-	579,000	579,000	1,158,000	1,158,000
100 - Central Payment Area	CPA	8,000	135,000	143,000	268,000	268,000
<b>Totals by Program</b>		<b>680,000</b>	<b>2,114,000</b>	<b>2,794,000</b>	<b>4,164,000</b>	<b>4,164,000</b>

### Capital Budget Impact

None.

### New Rule Making Required

To be determined by proposed legislation.

### Impacts on State Revenue

For the purposes of this analysis, DOL's assumed effective date for the Payment Plan Program is October 1, 2022 (FY 2023 partial year @ 9 months) additional clarifying assumptions are listed below.

*(This analysis is based on the November 2020 Transportation Revenue Forecast as adopted by the Transportation Revenue Forecast Council)*

#### **Scenario Assumptions --- Payment Plan Program**

- 1) Vehicle Registrations forecast will be used to determine the eligible vehicle base.
- 2) New vehicle registrations transactions with registration are assumed as not eligible for payment plans. An estimated ~ 90% of highway vehicles are renewal registrations based on the Original Title Forecast.
- 3) It is assumed that registration renewal transactions will be eligible to participate in the Payment Plan Program and ~20% of these will participate in the program.
- 4) Of the program participants, an estimated ~25% will likely have a title transfer based on the Other Title Forecast, leave the State, or will otherwise fail to make payments during half of the year.
- 5) For the purposes of this scenario, revenue impact analysis will focus on registration and related fees associated with the following vehicle use types:
  - An estimated Passenger Cars ~ 65% of Highway Vehicles registered annually
  - An estimated Trucks ~ 20% of Highway Vehicles registered annually
- 6) Where fee amounts vary by vehicle weight (i.e. Trucks licensed by weight and Passenger Weight fees) an average fee will be used.
- 7) For the purposes of analysis, revenue impact related to payment plan transactions will be around registration and associated fees for Passenger Car and Truck vehicle use types. Trucks will be limited to Light Trucks or those with a weight of 10,000 lbs. & under assuming that these trucks would be comprised of personal use vehicles only. \*Fees by use type table.
- 8) For the purposes of analysis, revenue impact related to payment plan transactions for Electric Vehicle fees is assumed to be only related to Passenger Cars.



## Impacts on State Revenue (continued)

### Potential Revenue Impact

(Due to formatting, this is a snapshot of the impacts to state revenue, the full version in in Appendix C)

Fees	Fee or Average Fee		FY 2022	FY 2023	FY 2024
	FY 2022	FY 2023 Increase			
<b>Vehicles paying Basic License Fee (\$30)</b>	\$ 30.00	\$ 30.00	\$ -	\$ (2,806,900)	\$ (3,805,300)
Motor Vehicle Account (108) @ \$5.47			\$ -	\$ (511,800)	\$ (693,800)
WSP Highway Account (081) @ \$23.60			\$ -	\$ (2,208,000)	\$ (2,993,500)
Puget Sound Ferry Operations (109) @ \$0.93 (Renewals)			\$ -	\$ (87,000)	\$ (118,000)
<b>Vehicles paying Weight-based Registration Fee (All Trucks)</b>	\$ 74.46	\$ 83.41	\$ -	\$ (2,092,400)	\$ (2,834,900)
Motor Vehicle Account (108) @59.495%			\$ -	\$ (1,244,900)	\$ (1,686,600)
WSP Highway Account (081) @22.36%			\$ -	\$ (467,900)	\$ (633,900)
Puget Sound Ferry Operations (109) @1.375%			\$ -	\$ (28,800)	\$ (39,000)
Nickel Account (550) @5.237%			\$ -	\$ (109, 600)	\$ (148,500)
Transportation Partnership Account (09H) @11.533%			\$ -	\$ (241,300)	\$ (326,900)
<b>Passenger Vehicle Weight Fees - Multimodal Account (218)</b>	\$ 29.75	\$ 39.75	\$ -	\$ (3,719,100)	\$ (3,773,200)
<b>Electric/Plug-in Vehicle Renewal Fee (\$100)</b>	\$ 100.00	\$ 100.00	\$ -	\$ (118,800)	\$ (205,300)
Motor Vehicle Fund (108) *over \$1 million with distribution at end of each FY @ 70%			\$ -	\$ (118,800)	\$ (205,300)
Rural Arterial Trust Account (102) @15%			\$ -	\$ -	\$ -
Transportation Improvement Account (144) @15%			\$ -	\$ -	\$ -
<b>Additional Electric/Plug-in Renewal Fee (\$50)</b>	\$ 50.00	\$ 50.00	\$ -	\$ (59,400)	\$ 102,700)
<b>EV/PHEV vehicle electrification fee (These would be the same as vehicles paying \$100 &amp; \$50 fees above)</b>	\$ 75.00	\$ 75.00	\$ -	\$ (89,100)	\$ (154,000)
Electric Vehicle Account (20J)			\$ -	\$ (89,100)	\$ (154,000)
Motor Vehicle Account (108) Beginning FY 2026			\$ -	\$ -	\$ -
<b>Hybrid vehicle electrification fee</b>	\$ 75.00	\$ 75.00	\$ -	\$ (164,500)	\$ (219,400)
Electric Vehicle Account (20J)			\$ -	\$ (164,500)	\$ (219,400)
Motor Vehicle Account (108) Beginning FY 2026			\$ -	\$ -	\$ -
<b>Total</b>			\$ -	\$ (9,050,200)	\$ (11,094,800)

## Impacts on State Revenue (continued)

### Potential Revenue Impact

(Due to formatting, this is a snapshot of the impacts to state revenue, the full version in in Appendix C)

### Revenue Impact Distribution Summary by Account

	FY 2021	FY 2022	FY 2023	FY 2024
WSP Highway Account (081)	\$ -	\$ -	\$ (2,675,900)	\$ (3,627,400)
Transportation Partnership Account (09H)	\$ -	\$ -	\$ (241,300)	\$ (326,900)
Rural Arterial Trust Account (102)	\$ -	\$ -	\$ -	\$ -
Motor Vehicle Account (108)	\$ -	\$ -	\$ (1,934,900)	\$ (2,688,400)
Puget Sound Ferry Operations (109)	\$ -	\$ -	\$ (115,800)	\$ (157,000)
Transportation Improvement Account (144)	\$ -	\$ -	\$ -	\$ -
Electric Vehicle Account (20J)	\$ -	\$ -	\$ (253,600)	\$ (373,400)
Multimodal Account (218)	\$ -	\$ -	\$ (3,719,100)	\$ (3,773,200)
Nickel Account (550)	\$ -	\$ -	\$ (109,600)	\$ (148,500)
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (9,050,200)</b>	<b>\$ (11,094,800)</b>

### Impacts on Local Revenue

DOL does not forecast local revenue so we used FY 2020 actuals to estimate the impact on Transportation Benefit District (TBD) fees and Regional Transit Authority (RTA) motor vehicle excise tax (MVET). With this data, we estimated a potential \$1.3 million reduction for TBD fees statewide and a \$6.7 million reduction for RTA MVET.

#### **Scenario Assumptions --- Payment Plan Program**

- 1) New vehicle registrations transactions with registration are assumed as not eligible for payment plans. An estimated ~ 90% of highway vehicles are renewal registrations based on original title activity.
- 2) It is assumed that registration renewal transactions will be eligible to participate in the Payment Plan Program and ~20% of these will participate in the program.
- 3) Of the program participants, an estimated ~25% will likely have a title transfer based on other title activity, leave the State, or will otherwise fail to make payments during half of the year.
- 4) Since RTA MVET amounts vary by vehicle value and the TBD fees vary by jurisdiction, an average tax or fee will be used for the purposes of this analysis.
- 5) For the purposes of analysis, revenue impact related to payment plan transactions will be around registration and associated fees for Passenger Car and Truck vehicle use types.

#### **TBD Fees**

	Average Fee	FY 2020 Potential Revenue Impact
Passenger Cars	\$39.00	(\$1,171,200)
Trucks	\$31.00	(\$152,200)
Total		(\$1,323,400)

#### **RTA MVET**

	Average Fee	FY 2020 Potential Revenue Impact
Passenger Cars	\$139.00	(\$6,181,300)
Trucks	\$92.00	(\$552,000)
Total		(\$6,733,300)

### Recommendations for customer compliance

#### Statutory Changes:

- **Amendment to [RCW 46.68.010](#) to allow the Department to put a hold on a vehicle registration renewal**, if the vehicle owner is delinquent on previous payments from a payment plan. This follows the same model in current law for vehicle owners that have unpaid tickets and shortages on their record.
- **Amendment to Chapter 46.17 RCW to allow the Department to assess a late-payment penalty fee to a vehicle owner**, if they don't pay their monthly or quarterly payment within a certain time period of the due date. This could be assessed after a certain "grace" period such as 15 days. [RCW 46.16A.030](#) already has monetary penalties outlined for the failure to initially register a vehicle or failure to renew a registration, however we would recommend a specific penalty for the failure to pay onto a payment plan. While the above described fees are both considered traffic infractions and assessed by law enforcement, a late-payment penalty fee could be assessed within the system and automatically applied to a vehicle owner's account.

#### Program Changes:

- **Offer quarterly payment plans only:** Simplifying the vehicle registration payment plan system by allowing only one option for customers with less frequent payments would likely improve customer compliance. Both WSACA and WAVS also recommend that only quarterly payments be allowed (see appendix for their full statements). This approach would reduce confusion for the public about how the program operates and would help address some of the workload concerns raised by our vehicle licensing partners.

### Anticipated challenges for customer compliance

#### Dishonored payments:

- In the months of August, September and October 2020, there was an average of \$354,400 in dishonored checks paid to the Department. Vehicle owners have the ability to pay their registration by check or online using the Automatic Clearing House (ACH) and inputting their bank information to be directly pulled from their accounts. However, if the funds are unavailable in the account or the customer inputs the incorrect bank account information, this results in a dishonored check and we are usually unable to recoup these funds from the customer. While this is not the most common method of payment for customers, it does make up a significant amount of revenue and could dramatically increase with customers having the option for payment plans.

### Recommendations for customer compliance (continued)

#### Vehicle owners moving/selling vehicles:

We anticipate a possible revenue loss with vehicle owners that choose a payment plan for paying registration and then subsequently move out of the state or sell their vehicle prior to the full registration being paid. Currently, customers that move or sell their vehicle after registration renewal are required to pay the full amount and are not eligible for a refund, so the State still collects the full amount of registration fees, regardless of whether the vehicle has remained in the state those full 12 months.

The below chart shows the assumed amount of vehicles that would leave the state or be transferred to a new owner prior to full payment of vehicle registration renewal.

		FY 2022	FY 2023	FY 2024	FY 2025
<b>Loss Title Transfer &amp; Leave WA (partial payments)</b>	<i>Passenger Cars</i>	-	-93,564	-126,842	-129,036
	<i>Trucks</i>	-	-25,086	-33,988	-34,544
	<b>Total</b>	-	-118,650	-160,830	-163,580
Fee \$150	<i>Total BEV+PHEV</i>	-	-1,188	-2,053	-2,540
	<i>Total HEV</i>	-	-2,193	-2,925	-2,925
Fee \$75	<i>Total BEV+PHEV+HEV</i>	-	-3,381	-4,978	-5,465

(Due to formatting, this is a snapshot of the impacts to state revenue, the full version in in Appendix C)

### Options to reduce the state revenue loss and administrative costs

- **Limiting payment plans to vehicle registrations over a certain dollar threshold:** One option to limit the revenue loss associated with payment plans and reduce administrative costs is to limit eligibility to vehicle registrations over a certain dollar threshold. WSACA recommends that payment plans only be available for vehicle registrations over \$200 (see appendix statement for additional details). Previous vehicle registration payment plan legislative proposals have imposed dollar thresholds. For example, [House Bill 2357](#) (2018) would have allowed vehicle owners to enter into semiannual or quarterly payment plans if their assessed motor vehicle excise tax (MVET) was equal to or greater than \$200.
- **Offer quarterly payment plans only:** Offering quarterly payment plans only would reduce the state revenue loss and lower DOL's administrative costs to administer the program.

## Appendix

## Appendix A: Statewide Analysis of Income levels by county

	Total population	Unemployment rate	Median household income	Poverty rate	% of households with cash public assistance
Adams	19,452	6.3%	\$49,142	25.2%	2.5%
Asotin	22,337	6.9%	\$50,423	13.0%	3.6%
Benton	194,168	5.2%	\$65,650	12.8%	2.8%
Chelan	75,757	5.3%	\$56,135	11.6%	3.0%
Clallam	74,487	7.7%	\$49,913	15.9%	6.5%
Clark	465,384	5.4%	\$71,636	9.3%	3.9%
Columbia	4,001	4.5%	\$51,111	11.6%	3.5%
Cowlitz	105,112	7.8%	\$51,752	16.0%	5.3%
Douglas	41,371	4.0%	\$60,452	13.3%	5.2%
Ferry	7,576	7.7%	\$41,924	18.8%	6.5%
Franklin	90,660	5.6%	\$62,002	15.7%	3.2%
Garfield	2,224	7.4%	\$52,525	11.6%	2.2%
Grant	94,860	5.6%	\$54,982	14.4%	3.5%
Grays Harbor	71,967	8.4%	\$47,770	15.9%	3.8%
Island	81,636	6.1%	\$64,809	8.6%	2.9%
Jefferson	30,856	6.3%	\$54,471	13.3%	4.7%
King	2,163,257	4.5%	\$89,418	9.5%	2.4%
Kitsap	262,475	5.2%	\$71,610	9.7%	3.0%
Kittitas	44,825	6.0%	\$55,193	19.0%	2.1%
Klickitat	21,396	6.2%	\$54,056	15.0%	5.0%
Lewis	76,947	8.2%	\$50,216	14.4%	6.0%
Lincoln	10,435	4.3%	\$50,744	12.9%	2.1%
Mason	62,627	7.5%	\$55,726	15.0%	4.3%
Okanogan	41,638	6.4%	\$45,808	20.6%	4.2%
Pacific	21,281	6.8%	\$44,846	17.4%	4.5%
Pend Oreille	13,219	6.0%	\$48,583	15.3%	3.7%
Pierce	859,840	5.8%	\$67,868	11.2%	3.4%
San Juan	16,473	3.0%	\$60,711	11.4%	1.4%
Skagit	123,907	5.8%	\$62,865	12.8%	2.8%
Skamania	11,620	4.8%	\$58,598	13.5%	1.7%
Snohomish	786,620	4.6%	\$82,751	8.1%	3.1%
Spokane	497,875	5.6%	\$54,852	14.4%	4.6%
Stevens	44,214	6.7%	\$49,200	15.6%	3.3%
Thurston	274,684	6.9%	\$69,592	11.0%	3.3%
Wahkiakum	4,189	5.3%	\$54,085	7.8%	2.7%
Walla Walla	60,236	5.2%	\$56,533	13.8%	3.1%
Whatcom	216,812	6.3%	\$59,285	15.0%	2.7%
Whitman	48,593	9.0%	\$42,163	26.8%	2.2%
Yakima	249,325	6.6%	\$49,871	18.2%	4.3%
Washington	7,294,336	5.3%	\$70,116	11.5%	3.2%

### Appendix B: Stakeholder and Agency partner interviews

In our effort to build our assumptions for our proposed plan and the impacts to our vehicle licensing partners, we conducted “interviews” to learn their specific concerns and gather any feedback. Partner statements provided below:

#### **Washington State Department of Transportation (WSDOT) Wednesday, June 10, 2020**

In addition to reaching out to our direct vehicle licensing partners, we also wanted to explore the possibility of using the structure of the current WSDOT Good to Go! platform or the ability for customers to pay their tolls or purchase a Good to Go! pass through a payment plan system. This idea was originally proposed during the 2020 legislative session in Senate Bill 6606, however it was determined that it would be an extremely complicated and long-term implementation, as DOL would need to integrate our DRIVES system into the Good to Go! system, which is currently going through a major modernization project.

Below is a statement provided from Jennifer Charlebois, Director of Systems & Engineering for WSDOT's Tolling Division:

“The work required to integrate customer payments to DOL for vehicle registrations into the *Good To Go!* program would be substantial and require significant time and resources. WSDOT is currently in the process of implementing a new Back Office System for the *Good To Go!* program and anticipates that for some time to come the focus of WSDOT resources will be on ensuring a successful transition and assessing the stability of the new system, followed by further implementation of additional planned functionality.”



### Stakeholder and Agency partner interviews (continued)

#### Washington Association of Vehicle Subagents (WAVS)

Monday, August 24, 2020

In attendance (due to COVID-19, this meeting was held over Skype):

##### Department of Licensing

Beau Perschbacher; Policy & Legislative Director

Jill Johnson; Legislative and Special Projects Manager

##### WAVS

Chester Baldwin, Public Affairs Consulting, LLC

Joe DePinto, Hometown Consulting

Reanne Robertson, WAVS Executive Director

Anita Marcelo, WAVS Legislative Committee Chair & Woodinville License Agency

Below is a statement from WAVS of their concerns and recommendations:

“Vehicle Subagents are the face of vehicle and vessel licensing in the community, providing title and registration services to hundreds or thousands of citizens per month, depending on the office. Vehicle Subagents process between 75-80% of all vehicle and vessel renewals and title transfers and collect more than \$600M in licensing fee revenue for the Auditors and state of WA in a cost effective, accurate and efficient way each year. The service fees are the only revenue that Subagents keep in processing vehicle renewals and title changes and all other monies collected are remitted to the County and State.

Our 136 private businesses are located in varying areas of the state to allow much-needed access to our services for the public. We are open extended hours and on weekends to serve our client’s needs, and remained open during the pandemic as essential businesses. We are committed to providing the highest quality of service to the citizens of WA on a daily basis. Our subagent offices also offer employment to local citizens who become contributing taxpayers in our community, supporting grocery stores, child care centers, and other local businesses.

Specific to this report, the Washington Association of Vehicle Subagents (WAVS) believes Subagent offices can provide additional services and be flexible to the needs of the residents of Washington State. Subagents are an integral part of an established delivery system for the state, and we would recommend continuing this symbiotic partnership between Vehicle Subagents and the State of Washington and are willing/capable to provide and consider new services such as payment plans.

### Stakeholder and Agency partner interviews (continued)

If the consumer needs a new registration or replacement registration, the regular service fee of \$8 would need to be applied, but if they are on a payment schedule and have already paid their initial fee, then a lower convenience fee could be adopted that is equitable both to the consumer and to the vehicle subagent. We view a possible convenience fee similar to other models already established in DRIVES.

WAVS is excited for an opportunity to further the partnership with DOL and expand flexibility for the registered owner of a vehicle, or the registered owner's authorized representative, to voluntarily enter into either a quarterly or monthly payment plan with the department to pay vehicle fees or taxes due at the time of application for renewal vehicle registration. We do have suggestions that we believe will enhance the experience of the registered owner, ensures the State of Washington collects payments in full, and identify some logistical concerns.

1. WAVS would recommend a quarterly payment plan option rather than providing the option to select different payment plans. We anticipate confusion not only for the owners but also logistically with operational challenges for vehicle licensing representatives.
2. If a quarterly payment plan was established by the Legislature, WAVS would have concerns that enforcement of late payments would be the responsibility of vehicle licensing representatives. We also strongly suggest that the customer receive a new registration each time a payment is made, similar to when tonnage is purchased. Questions also arise in the ability of DRIVES to track customers who fall behind on their payments and vehicles that are sold before all installment payments are made.
3. Increases in labor costs for Vehicle Subagents are also foreseen due to higher volume of email correspondence, in person interactions (customers without online access or ability will still need in person assistance), and time spent over the phone to educate customers and accept payments not made online. This would be a large cost increase for Vehicle Subagents if no additional fees were charged for in person office payments.

### Stakeholder and Agency partner interviews (continued)

#### **Washington State Association of County Auditors (WSACA)** **Thursday, August 27, 2020**

In attendance (due to COVID-19, this meeting was held over Skype):

##### Department of Licensing

Beau Perschbacher; Policy & Legislative Director

Jill Johnson; Legislative and Special Projects Manager

Stacy Allen; Assistant Administrator of Vehicle/Vessel Operations

##### WSACA

Thad Duvall, Douglas County Auditor (Immediate Past Chair of WSACA Licensing Committee)

Paul Andrews, Kitsap County Auditor (current Co-Chair of WSACA Licensing Committee)

Eddie Cantu, King County Licensing Manager

##### Below is a statement from WSACA of their concerns and recommendations:

The Washington State Association of County Auditors (WSACA) supports DOL, the Licensing process and Vehicle Licensing Offices in the following ways:

1. Conducts an Annual Licensing Conference
2. Provides Quarterly training (starting in 2021)
3. Forms a Licensing Committee charged with monitoring all Licensing issues statewide including legislation, DOL Policy and Procedure, Agent and Subagent Contracts, DRIVES functionality, Subagent relations etc.
4. Provides committee members to participate with DOL on various subjects and projects such as Education Committee, Subagent Review Committee, Licensing Test Review Committee, Contract Review Committee, various LEAN events, DRIVES testing etc.
5. Licensing Committee fosters regular communication and meets monthly with DOL to go over policy and operational subjects
6. Provides oversight for all Vehicle Licensing Offices in Washington State by complying with the new DOL/Agent Contract requiring counties to Audit and Monitor all Subagent Offices.

Allowing licensing customers to pay fees associated with vehicle licensing by utilizing a payment plan is a policy decision that belongs to the Washington State Legislature.

If such a plan were enacted, operational challenges would increase for DOL and Agents and Subagents charged with implementing this new procedure:

### Stakeholder and Agency partner interviews (continued)

1. We would need an effective statewide media educational blitz especially if payment plans were only offered in part of the state.
2. Even with a media plan, increased counter, email and phone time would be required to educate customers.
3. Complicated DRIVES programming would be necessary to provide payment receipts, combine multiple payments, track customers who fall behind on their payments and vehicles that are sold before all installment payments are made.
4. Most likely enforcement for late payments would fall to licensing offices.
5. We are concerned about potential loss of State revenue if vehicles are sold before installment payments are made in full.
6. If customers can select different installment plans (monthly, quarterly, semiannual) it will result in confusion for both customers and vehicle licensing representatives.
7. Will late or incomplete payments follow the vehicle, the current owner, the new owner or deceased owner?
8. Many operational/procedural questions arise: Will late fees be incurred? Can ownership be transferred if late fees are due? Will a different tab be issued etc.?
9. The number of times a customer contacts a licensing office and the time spent with each customer will greatly increase. We estimate an additional 2.75 hours will be spent with each customer that chooses monthly payments.
10. We anticipate Vehicle Licensing Offices will not be able to accommodate the sheer volume of additional transactions at current staffing levels. DOL estimates 1.3 million vehicles statewide will participate in this plan. **This means an additional 3.9 to 14.3 million transactions will be performed statewide.** (1.3mil vehicles x 3 additional transactions for quarterly = 3.9million additional transactions.)(1.3mil vehicles x 11 additional transactions = 14.3 million additional transactions for monthly payments.) This increased work load will have a huge impact on VLO's even if only the projected 45% of 1.3 million transactions use a monthly or quarterly payment plan

WSACA recommends keeping the program as simple as possible, allowing only quarterly payments, making the online payment function as robust as possible and providing adequate funding for a statewide media campaign to educate customers. In addition we recommend the payment plan have an eligibility threshold of approximately \$200. With the expectation of a large increase in work load and need to hire additional staff, we support a convenience fee of \$4 on each transaction to be retained by the county or subagent office conducting the transaction.

Appendix C: Impacts to State Revenue

		Fee or Average Fee											
Distribution	Fees	FY 2022	FY 2023 Increase	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
	Vehicles paying Basic License Fee (\$30)	\$ 30.00	\$ 30.00	\$ -	\$ (2,806,900)	\$ (3,805,300)	\$ (3,871,100)	\$ (3,935,800)	\$ (3,991,100)	\$ (4,046,700)	\$ (4,098,300)	\$ (4,153,200)	\$ (4,209,200)
\$5.47	Motor Vehicle Account (108) @ \$5.47			\$ -	\$ (511,800)	\$ (693,800)	\$ (705,800)	\$ (717,600)	\$ (727,700)	\$ (737,900)	\$ (747,300)	\$ (757,300)	\$ (767,500)
\$23.60	WSP Highway Account (081) @ \$23.60			\$ -	\$ (2,208,000)	\$ (2,993,500)	\$ (3,045,300)	\$ (3,096,200)	\$ (3,139,700)	\$ (3,183,400)	\$ (3,224,000)	\$ (3,267,100)	\$ (3,311,200)
\$0.93	Puget Sound Ferry Operations (109) @ \$0.93 (Renewals)			\$ -	\$ (87,000)	\$ (118,000)	\$ (120,000)	\$ (122,000)	\$ (123,700)	\$ (125,400)	\$ (127,000)	\$ (128,800)	\$ (130,500)
	Vehicles paying Weight-based Registration Fee (All Trucks)	\$ 74.46	\$ 83.41	\$ -	\$ (2,092,400)	\$ (2,834,900)	\$ (2,881,200)	\$ (2,923,100)	\$ (2,946,200)	\$ (2,974,200)	\$ (2,998,600)	\$ (3,025,100)	\$ (3,052,100)
0.59495	Motor Vehicle Account (108) @59.495%			\$ -	\$ (1,244,900)	\$ (1,686,600)	\$ (1,714,200)	\$ (1,739,100)	\$ (1,752,800)	\$ (1,769,500)	\$ (1,784,100)	\$ (1,799,800)	\$ (1,815,900)
0.2236	WSP Highway Account (081) @22.36%			\$ -	\$ (467,900)	\$ (633,900)	\$ (644,200)	\$ (653,600)	\$ (658,800)	\$ (665,000)	\$ (670,500)	\$ (676,400)	\$ (682,400)
0.01375	Puget Sound Ferry Operations (109) @1.375%			\$ -	\$ (28,800)	\$ (39,000)	\$ (39,600)	\$ (40,200)	\$ (40,500)	\$ (40,900)	\$ (41,200)	\$ (41,600)	\$ (42,000)
0.05237	Nickel Account (550) @5.237%			\$ -	\$ (109,600)	\$ (148,500)	\$ (150,900)	\$ (153,100)	\$ (154,300)	\$ (155,800)	\$ (157,000)	\$ (158,400)	\$ (159,800)
0.11533	Transportation Partnership Account (09H) @11.533%			\$ -	\$ (241,300)	\$ (326,900)	\$ (332,300)	\$ (337,100)	\$ (339,800)	\$ (343,000)	\$ (345,800)	\$ (348,900)	\$ (352,000)
	Passenger Vehicle Weight Fees - Multimodal Account (218)	\$ 29.75	\$ 39.75	\$ -	\$ (3,719,100)	\$ (3,773,200)	\$ (3,838,500)	\$ (3,902,700)	\$ (3,957,500)	\$ (4,012,700)	\$ (4,063,800)	\$ (4,118,300)	\$ (4,173,800)
	Electric/Plug-in Vehicle Renewal Fee (\$100)	\$ 100.00	\$ 100.00	\$ -	\$ (118,800)	\$ (205,300)	\$ (254,000)	\$ (304,700)	\$ (356,000)	\$ (403,900)	\$ (449,500)	\$ (494,200)	\$ (539,900)
	Motor Vehicle Fund (108) *over \$1 million with distribution at end of each FY @ 70%			\$ -	\$ (118,800)	\$ (205,300)	\$ (254,000)	\$ (304,700)	\$ (356,000)	\$ (403,900)	\$ (449,500)	\$ (494,200)	\$ (539,900)
	Rural Arterial Trust Account (102) @15%			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Transportation Improvement Account (144) @15%			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Additional Electric/Plug-in Renewal Fee (\$50)	\$ 50.00	\$ 50.00	\$ -	\$ (59,400)	\$ (102,700)	\$ (127,000)	\$ (152,400)	\$ (178,000)	\$ (202,000)	\$ (224,800)	\$ (247,100)	\$ (270,000)
	EV/PHEV vehicle electrification fee (These would be the same as vehicles paying \$100 & \$50 fees above)	\$ 75.00	\$ 75.00	\$ -	\$ (89,100)	\$ (154,000)	\$ (190,500)	\$ (228,500)	\$ (267,000)	\$ (302,900)	\$ (337,100)	\$ (370,700)	\$ (404,900)
	Electric Vehicle Account (20J)			\$ -	\$ (89,100)	\$ (154,000)	\$ (190,500)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Motor Vehicle Account (108) Beginning FY 2026			\$ -	\$ -	\$ -	\$ -	\$ (228,500)	\$ (267,000)	\$ (302,900)	\$ (337,100)	\$ (370,700)	\$ (404,900)
	Hybrid vehicle electrification fee	\$ 75.00	\$ 75.00	\$ -	\$ (164,500)	\$ (219,400)	\$ (219,400)	\$ (219,400)	\$ (219,400)	\$ (219,400)	\$ (219,400)	\$ (219,400)	\$ (219,400)
	Electric Vehicle Account (20J)			\$ -	\$ (164,500)	\$ (219,400)	\$ (219,400)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Motor Vehicle Account (108) Beginning FY 2026			\$ -	\$ -	\$ -	\$ -	\$ (219,400)	\$ (219,400)	\$ (219,400)	\$ (219,400)	\$ (219,400)	\$ (219,400)
	Total			\$ -	\$ (9,050,200)	\$ (11,094,800)	\$ (11,381,700)	\$ (11,666,600)	\$ (11,915,200)	\$ (12,161,800)	\$ (12,391,500)	\$ (12,628,000)	\$ (12,869,300)

Revenue Impact Distribution Summary by Account

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
WSP Highway Account (081)	\$ -	\$ (2,675,900)	\$ (3,627,400)	\$ (3,689,500)	\$ (3,749,800)	\$ (3,798,500)	\$ (3,848,400)	\$ (3,894,500)	\$ (3,943,500)	\$ (3,993,600)
Transportation Partnership Account (09H)	\$ -	\$ (241,300)	\$ (326,900)	\$ (332,300)	\$ (337,100)	\$ (339,800)	\$ (343,000)	\$ (345,800)	\$ (348,900)	\$ (352,000)
Rural Arterial Trust Account (102)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Motor Vehicle Account (108)	\$ -	\$ (1,934,900)	\$ (2,688,400)	\$ (2,801,000)	\$ (3,361,700)	\$ (3,500,900)	\$ (3,635,600)	\$ (3,762,200)	\$ (3,888,500)	\$ (4,017,600)
Puget Sound Ferry Operations (109)	\$ -	\$ (115,800)	\$ (157,000)	\$ (159,600)	\$ (162,200)	\$ (164,200)	\$ (166,300)	\$ (168,200)	\$ (170,400)	\$ (172,500)
Transportation Improvement Account (144)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Electric Vehicle Account (20J)	\$ -	\$ (253,600)	\$ (373,400)	\$ (409,900)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Multimodal Account (218)	\$ -	\$ (3,719,100)	\$ (3,773,200)	\$ (3,838,500)	\$ (3,902,700)	\$ (3,957,500)	\$ (4,012,700)	\$ (4,063,800)	\$ (4,118,300)	\$ (4,173,800)
Nickel Account (550)	\$ -	\$ (109,600)	\$ (148,500)	\$ (150,900)	\$ (153,100)	\$ (154,300)	\$ (155,800)	\$ (157,000)	\$ (158,400)	\$ (159,800)
Total	\$ -	\$ (9,050,200)	\$ (11,094,800)	\$ (11,381,700)	\$ (11,666,600)	\$ (11,915,200)	\$ (12,161,800)	\$ (12,391,500)	\$ (12,628,000)	\$ (12,869,300)

Potential Transaction Impact

		FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
	Loss Title Transfer & Leave WA 1/2 Year	0	-118,650	-160,830	-163,580	-166,240	-168,360	-170,550	-172,560	-174,710	-176,900
	Passenger Cars	0	-93,564	-126,842	-129,036	-131,194	-133,037	-134,891	-136,609	-138,441	-140,308
	Trucks	0	-25,086	-33,988	-34,544	-35,046	-35,323	-35,659	-35,951	-36,269	-36,592
Fee \$150	Total BEV+PHEV	0	-1,188	-2,053	-2,540	-3,047	-3,560	-4,039	-4,495	-4,942	-5,399
	Total HEV	0	-2,193	-2,925	-2,925	-2,925	-2,925	-2,925	-2,925	-2,925	-2,925
Fee \$75	Total BEV+PHEV+HEV	0	-3,381	-4,978	-5,465	-5,972	-6,485	-6,964	-7,420	-7,867	-8,324