



# *2017 Supplemental Budget*

*Prepared by  
Budget and Fiscal Services*

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*October 24, 2016*

JAY INSLEE  
Governor



JOHN R. BATISTE  
Chief

STATE OF WASHINGTON  
WASHINGTON STATE PATROL

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October 24, 2016

Mr. David Schumacher  
Office of Financial Management  
PO Box 43113  
Olympia WA 98504-3113

Dear Mr. Schumacher:

We are pleased to submit the Washington State Patrol's 2017 Supplemental Budget Request for your consideration. The decision packages being submitted are for critical and emergent costs that we cannot accommodate with savings in our existing budget.

We look forward to meeting with your staff to discuss our decision packages and to provide clarification or additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "John R. Batiste".

CHIEF JOHN R. BATISTE

JRB:dll



**Recommendation Summary**

**Agency: 225 Washington State Patrol**

1:41:17PM

10/17/2016

Dollars in Thousands

	<b>FY2 FTEs</b>	<b>General Fund State</b>	<b>Other Funds</b>	<b>Total Funds</b>
<b>2015-17 Current Biennium Total</b>				
<b>Total Carry Forward Level</b>				
Percent Change from Current Biennium				
<b>Carry Forward plus Workload Changes</b>				
Percent Change from Current Biennium				
M2 8F Fuel Rate Adjustment		(26)	24	(2)
M2 MA Vehicle License Fraud		115		115
M2 MB Fire Mobilizations		2,000		2,000
<b>Total Maintenance Level</b>		<b>2,089</b>	<b>24</b>	<b>2,113</b>
Percent Change from Current Biennium				
<b>Subtotal - Performance Level Changes</b>	<b>0.0</b>			
<b>2015-17 Total Proposed Budget</b>		<b>2,089</b>	<b>24</b>	<b>2,113</b>
Percent Change from Current Biennium				

**M2 8F Fuel Rate Adjustment**

The Washington State Patrol is adjusting funding for vehicle and aviation fuel based on the September 2016 fuel forecast. We operate a fleet of 1,538 vehicles that consume an average of 160,000 gallons of fuel each month. These vehicles are used for traffic law enforcement and emergency response activities, along with specialized functions and general transportation. An adjustment to our aviation fuel budget is also necessary to support current levels of flight hours at a decreased cost per gallon.

**M2 MA Vehicle License Fraud**

The Washington State Patrol received an appropriation of \$255,000 from the Vehicle License Fraud Account to fund the License Investigation Unit for the 2015-17 Biennium. Anticipated revenues are not sufficient to cover this entire appropriation. We are asking for an appropriation of \$115,000 from the General Fund State Account to cover the projected shortfall for this biennium. This proposal impacts the Highway Traffic Enforcement and Emergency Operations activity.

**M2 MB Fire Mobilizations**

The Washington State Patrol has incurred costs in excess of the \$8 million 2015-17 Biennium appropriation for state fire mobilizations from the Disaster Response Account. This request seeks funding to cover incurred costs associated with the WSP's statutory requirement to reimburse local jurisdictions, other state and federal agencies, and volunteer firefighters for their work in combating wildfires in Washington State.

## 2017 Supplemental Budget Decision Package

**Agency: Washington State Patrol**

**Decision Package Code/Title: M2-8F Fuel Rate Adjustments**

**Budget Period: 2017 Supplemental**

**Budget Level: Maintenance**

**Agency Recommendation Summary Text:**

The Washington State Patrol (WSP) is adjusting funding for vehicle and aviation fuel based on the September 2016 fuel forecast. We operate a fleet of 1,538 vehicles that consume an average of 160,000 gallons of fuel each month. These vehicles are used for traffic law enforcement and emergency response activities, along with specialized functions and general transportation. An adjustment to our aviation fuel budget is also necessary to support current levels of flight hours at a decreased cost per gallon.

**Fiscal Summary:** Decision package total dollar and FTE cost/savings by year, by fund, for Fiscal Year 2017 (FY17).

Because any 2017 supplemental funding increases or decreases will be eliminated in the 2017-19 biennial budget calculations, only FY17 is shown below.

Operating Expenditures	FY 2017			
General Fund - State	\$(26,000)			
State Patrol Highway Fund - State	55,000			
State Patrol Airplane Revolving Account – Non appropriated	(31,000)			
<b>Total Cost</b>	<b>\$(2,000)</b>			
Staffing	<b>FY 2017</b>			
FTEs	0.0			
<b>Object of Expenditure</b>	<b>FY 2017</b>			
Obj. E	\$29,000			
Obj. M	(31,000)			

(The funding allocation for this proposal is based on the results of the JLARC cost allocation model approved in the 2016 Supplemental Budget. **This proposal must be agreed upon by both the Transportation Committees and the Omnibus Budget Committees to ensure consistent and fair treatment of resources.**)

**Package Description**

**Vehicle Fuel**

Washington State Patrol vehicles currently consume an average of 160,000 gallons of fuel each month. About 74 percent of this fuel is used by vehicles driven by commissioned officers who provide direct traffic law enforcement and emergency response services across Washington State. Given the number of vehicles in the fleet, the safe operation and maintenance of these vehicles is a critical, major expense.

The majority of our fuel is purchased from the Washington State Department of Transportation (WSDOT) at sites throughout the state. The WSDOT buys fuel in bulk through competitive state contracts. A small administrative fee is added to this cost when the State Patrol purchases the fuel, but the cost is still below retail price. About nine percent of the fuel used is purchased from private vendors in those areas of the state not served by WSDOT, for which we pay the full retail price.

The chart below reflects the Transportation Revenue Forecast Council's September 2016 forecast of nominal fuel prices for FY 2017.

**Figure 11 Near-term Average Adjusted Quarterly Fuel Prices and B5 Biodiesel Prices and Unadjusted B99 Biodiesel Prices Used for Budgeting Purposes:**  
**September 2016** *Dollars per gallon*

<b>Fiscal Year Quarter</b>	<b>Adjusted WA Retail Gasoline Price (\$/gal)</b>	<b>Adjusted WA Retail Diesel Price (\$/gal)</b>	<b>Adjusted Biodiesel Price (\$/gal)</b>	<b>Unadjusted B99 Biodiesel Price</b>
2016: Q3	\$2.69	\$2.85	\$1.75	\$3.95
2016: Q4	2.44	2.92	1.92	4.02
2017: Q1	2.43	3.03	1.96	4.17
2017: Q2	2.88	3.14	1.98	4.32
<b>FY 2017</b>	<b>\$2.61</b>	<b>\$2.99</b>	<b>\$1.90</b>	<b>\$4.12</b>

The retail price of fuel is projected to reach \$2.61 in FY 2017, based upon the September 2016 forecast. Approximately 9.7 percent of our fuel is purchased from gas stations throughout the state and is calculated at this retail price. The cost for fuel purchased from WSDOT sites (including the administrative fee) is estimated to be \$2.53 in FY 2017. These prices are used to calculate the cost of 90.3 percent of the fuel (144,500 gallons per month).

The administrative fee charged by WSDOT in 2017 will be \$0.10 per gallon which is calculated through an analysis of their costs to operate and maintain the fuel system to determine the appropriate markup to charge external agencies.

Mr. Steve Smeland is the subject matter expert for this request and may be reached at (360) 704-5403.

**Aviation Fuel**

The WSP owns and operates two multi-engine King Air planes and five Cessna aircraft. Washington State Patrol’s aircraft are used primarily to transport WSP staff in support of aerial traffic speed enforcement, traffic congestion management, emergency preparedness and Homeland Security operations, and transportation for all state agencies and public safety partner stakeholders, including the governor.

Fuel is purchased through a competitively bid state contract with Olympia airport and agreement with the Port of Ephrata. Additional fuel is purchased through the United States Department of Defense 1122 fuel agreement program at field base operators when available at airports nationwide. The fuel contracts negotiated through the Department of Enterprise Services are based on the vendor’s wholesale price of fuel, plus markups.

The contract extended in January, 2016 with the Olympia Airport includes a bid margin plus \$0.53 per gallon for Jet A fuel and \$0.51 per gallon for Av Gas 100LL. This margin has increased from the original \$0.25 per gallon for Jet A fuel and \$0.21 per gallon for Avgas 100LL contract signed in January 2010.

This request recognizes a decrease in aviation fuel costs based upon yearly percentage increases obtained from the U. S. Energy Information Administration (EIA) Annual Energy Outlook 2016. The current funded amount is \$7.38 per gallon for Avgas 100LL and \$6.59 per gallon for Jet A fuel. Based upon EIA’s estimated fuel costs for FY 2017 we anticipate fuel prices to continue downward through the remainder of FY2017. That trend is expected to change in FY 2018.

Type of Fuel	FY 2016	FY 2017 – Current Funding Level	FY 2017 - Revised
Jet A Fuel	\$6.30	\$6.59	\$5.00
Avgas	7.06	7.38	6.12

Lieutenant Jim Nobach is the subject matter expert for this request and may be reached at (360) 753-6173.

**Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service.**  
This request is not an expansion or alteration of a current program.

**Decision Package expenditure, FTE and revenue assumptions, calculations and details:**  
Per the September 2016 Transportation Revenue Forecast, the retail price of fuel will average \$2.61 during FY 2017. According to WSDOT, the State Patrol’s cost for vehicle fuel purchased from them will average \$2.53 in FY 2017. These prices may fluctuate in subsequent revenue forecasts.

<b>FY 2017</b>	<b>Current Funded Level</b>	<b>Revenue Forecast</b>	<b>Change</b>	<b>Gallons per Month</b>	<b>Months per year</b>	<b>Estimated increase in funding</b>
WSDOT	\$2.48	\$2.53	\$0.05	144,500	12	\$87,000
Retail	2.56	2.61	0.05	15,500	12	9,000
Total						96,000
GF-S						6,000
SPHA - State						90,000
Total Funds						\$96,000

For vehicle fuel, the expenditure calculations are based on the average number of gallons consumed multiplied by the changes in projected fuel costs.

**Aviation Fuel**

This request starts with the average cost per gallon funded in the 2015-2017 Biennium of \$6.59 for Jet A fuel and \$7.38 for Avgas. Using yearly percentage increases in Transportation Jet Fuel and Diesel costs obtained from the Energy Information Administration’s Annual Energy Outlook 2016 “Energy Prices by Sector and Source” for the Pacific Sector (Table). The cost for aviation fuel is expected to decrease to \$6.98 for Avgas and \$6.35 for Jet A fuel in FY 2018 from current FY17 funding. In FY 2019, fuel is expected to increase to \$8.31 for Avgas and \$8.16 for Jet A fuel.

<b>FY 2017</b>	<b>Current Funded Level</b>	<b>Revenue Forecast</b>	<b>Change</b>	<b>Gallons per Month</b>	<b>Months per year</b>	<b>Estimated (reduction) increase in funding</b>
Jet A Fuel	6.59	5.00	-1.59	1,638	12	\$(31,000)
Av-Gas	7.38	6.12	-1.26	2,383	12	(36,000)
Total						\$(67,000)
GF - S						\$(32,000)
SPHA - State						(35,000)
Airplane Revolving Acct. – Non App						(31,000)
Total Funds						\$(98,000)

This request also adjusts expenditure authority from the State Patrol Non-appropriated Airplane Revolving Account for aviation fuel equivalent to the Jet A Fuel increases above.

**Decision Package Justification and Impacts**

**What specific performance outcomes does the agency expect?**

By increasing the funding for fuel, we will be able to continue driving our vehicles to accomplish our core mission. We will also be able to continue to utilize our aircraft without impacting our level of service.

**Performance Measure detail:**

N/A

**Fully describe and quantify expected impacts on state residents and specific populations served.**

Fuel used in WSP vehicles is a critical component to public safety which affects all state residents and those traveling through our state. Increased fuel costs could necessitate the reduction or elimination of critical services. The likely impacts include an increase in property damage, injuries, traffic related deaths, increased traffic congestion, reduced freight mobility, and premature roadway infrastructure damage.

Temporarily decreased aviation fuel costs will allow the Aviation Section to operate with reduced costs and not reduce the number of hours the planes are available to fly. We do anticipate the fuel prices to increase in FY18 and future years and have requested that increase in the 2017-19 budget package. Impacts of no increase for the 2017-19 biennium are similar to those for vehicles, but could also include the inability of the WSP to provide transportation for officials from other agencies and the governor, especially on short notice. The WSP aircraft support the Patrol's mission of traffic law enforcement to strictly enforce DUI, seatbelts, aggressive driving, and dangerous speeding violations. The evidence is overwhelming: our aircraft identify behaviors and decisions that cause loss of life and life altering injuries to our friends, family, and children.

**What are other important connections or impacts related to this proposal?** Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
<b>Regional/County impacts?</b>	<b>Yes</b>	<b>Identify:</b> In addition to the previously identified impacts to all state residents, there are additional impacts to regions and counties that rising fuel costs could impact. This includes reducing the ability to respond to calls for service and a reduced level of assistance with natural disasters, civil disturbances, major local events, forensic crime scene responses, investigative assistance, and participation in regional drug task forces. Many counties do not have the resources to adequately mitigate these types of events.
<b>Other local gov't impacts?</b>	<b>Yes</b>	<b>Identify:</b> In addition to the previously identified impacts to all state residents, there are additional impacts to local governments that rising fuel costs could impact. This includes reducing the ability to respond to calls for service and a reduced level of assistance with natural disasters, civil disturbances, major local events, forensic crime scene responses, investigative assistance, and participation in regional drug task forces. Many local governments do not have the resources to adequately mitigate these types of events.
<b>Tribal gov't impacts?</b>	<b>No</b>	<b>Identify:</b>
<b>Other state agency impacts?</b>	<b>Yes</b>	<b>Identify:</b> Without adequate funding, the WSP could be limited in the number of flights they can provide for other agencies in emergencies and for WSP activities. While the WSP bills outside agencies for the cost of using the aircraft, we do not recover costs used for WSP activities. If the cost of the Washington State Patrol's activities exceeds the funded amount, Aviation would have to curtail the number of flights they undertake.
<b>Responds to specific task force, report, mandate or exec order?</b>	<b>No</b>	<b>Identify:</b>
<b>Does request contain a compensation change?</b>	<b>No</b>	<b>Identify:</b>
<b>Does request require a change to a collective</b>	<b>No</b>	<b>Identify:</b>

Impact(s) To:		Identify / Explanation
bargaining agreement?		
Facility/workplace needs or impacts?	No	Identify:
Capital Budget Impacts?	No	Identify:
Is change required to existing statutes, rules or contracts?	No	Identify:
Is the request related to or a result of litigation?	No	Identify lawsuit (please consult with Attorney General's Office):
Is the request related to Puget Sound recovery?	No	If yes, see budget instructions Section 14.4 for additional instructions
Identify other important connections		

**Please provide a detailed discussion of connections/impacts identified above.**

**What alternatives were explored by the agency and why was this option chosen?**

We continue to work diligently to adopt strategies for efficiently managing the vehicle fleet. In the past, the only option for absorbing fuel increases was to defer vehicle replacements, using those dollars to buy necessary fuel.

The WSP has increased the number of hybrid vehicles from 6 to 34 which is an increase of 466 percent. WSP also intends to purchase all-electric vehicles, when possible, for non-pursuit vehicles.

As with vehicles, we work diligently to reduce the costs associated with aircraft and to manage those costs carefully. To continue flying, we must purchase fuel. The Department of Enterprise Services (DES) has negotiated on our behalf to ensure fuel cost is minimized. Alternatives include purchasing fuel from retail vendors or requesting alternative bids for the state's fuel business. DES already reviews the contracts to ensure they are all current and still valid on a regular basis. If they were to identify a lower cost supplier, they would re-bid the contract so it is likely that we already have the most cost effective rate. Any other rates would be higher than we have now.

**What are the consequences of not funding this request?**

If we do not obtain adequate funding to cover our vehicle and aircraft fuel needs we will have to reduce some level of service.

**How has or can the agency address the issue or need in its current appropriation level?**

To cover the cost of vehicle fuel, the agency might leave positions vacant. The increased cost of fuel would equate to seven trooper positions. To cover the cost of aircraft fuel the agency could leave positions vacant or reduce the number of flights.

**Other supporting materials:** Attached is the Average Adjusted Quarterly Fuel Price table from the September 2017 Fuel Forecast. Also attached are the U. S. Energy Information Administration fuel projections for Transportation fuels.

**Information technology:** Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

- No 
- Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)

**Agency: Washington State Patrol**  
**Decision Package Code/ Title: M2-8F Fuel Rate Adjustments**  
**Budget Period: 2017 Supplemental Budget Request- September 2016 Forecast**  
**Budget Level: Maintenance**

**Vehicle Fuel Attachment 1**  
**Forecast as of September 2016**  
**Supporting Documentation**

FY 2017 June 2016 Revenue Forecast	2.61				
WSDOT price to WSP	2.53				
Current Funded Rate for WSDOT	2.48	February 2016 Forecast			
Change in WSDOT cost per gallon	0.05				
Change x 144,500 gallons per month for 12 months	87,000	Purchased from WSDOT			
Current funded rate for retail	2.56	February 2016 Forecast			
Change in full retail over funded amount	0.05				
Change x 15,500 gallons per month for 12 months	9,000	Purchased at retail			
FY 2017 Total Change	96,000				
<b>TOTAL REQUEST FOR FUEL</b>	<b>96,000</b>				
Following methodology shows WSDOT's calculation:					
FY 2017 - Sept. 2016 Revenue Forecast	2.61				
Subtract federal excise tax on fuel	(0.18)				
Add \$.10/gallon administrative fee	0.10				
Net price of fuel purchased from WSDOT	2.53				

Average Gallons per month *	160,000
WSDOT Percentage	0.903 144,500
Percentage retail	0.097 15,500
	160,000

\* Based on average for FY16 number of gallons purchased (see Fuel data from Fleet).

Calculation of increase/decrease to funding for DP document.

	Current Funded Level	Rev Forecast	Change	Gallons Per Month	Months per Year	Estimated Change in Fuel Funding
<b>WSDOT</b>	2.48	2.53	0.05	144,500	12	87,000
<b>Retail</b>	2.56	2.61	0.05	15,500	12	9,000
<b>Total</b>						<b>96,000</b>

**Agency: Washington State Patrol**  
**Decision Package Code/Title: M2-8F Fuel Rate Adjustments**  
**Budget Period: 2017 Supplemental**  
**Budget Level: Maintenance**

**Attachment 2a**  
**Aviation Fuel - Av-Gas**  
**Forecast as of September 2016**

FY2017 Funding:		
FY 2017 price per gallon per calculation	6.12	
Current Funded Rate	7.38	
Decrease in cost per gallon	(1.26)	Gallons
x 2,383 gallons per month for 12 months	(36,000)	28,600
Gallons		
<b>TOTAL REQUEST</b>	<b>(36,000)</b>	<b>28,600</b>

FY15	FY 16 decr	FY 16	FY 17 incr	FY 17
5.56	-9.89%	5.01	12.06%	6.12

FY18 Increase	FY18	FY19 Incr	FY19	FY20 Increase
9.03%	7.19	9.86%	8.41	5.27%

30403.64                      34847.11

Flight hours for 2017 estimated to be 2,200 hours.  
 Number of gallons equates to 2,200 hours times 13 gallons per hour; 28,600 gallons.

**Agency: Washington State Patrol**  
**Decision Package Code/Title: M2-8F Fuel Rate Adjustments**  
**Budget Period: 2017 Supplemental**  
**Budget Level: Maintenance**

**Attachment 2b**  
**Aviation Fuel - Jet A Fuel**  
**Forecast as of September 2016**  
**Supporting Documentation**

FY2017 Funding:		
FY 2017 price per gallon per calculation	5.00	
Current Funded Rate	6.59	
Decrease in cost per gallon	(1.59)	Gallons
x 1,663 gallons per month for 12 months	(31,000)	19,700
Gallons		
<b>TOTAL REQUEST</b>	<b>(31,000)</b>	<b>19,700</b>

Calculation of per gallon price:

FY 12	FY 13 incr	FY 13	FY14 incr	FY 14	FY15 incr	FY15	FY 16 incr	FY 16
4.78	-9.00%	4.35	12.87%	4.91	-18.94%	3.98	-11.56%	3.52
FY 17 incr		FY18 Increase	FY18	FY19 Incr	FY19	FY20 Increase	FY20	FY21 Change
26.94%	5.00	14.79%	6.27	20.17%	8.06	0.06%	8.60	6.39%

Flight hours for 2017 estimated to be 168 hours.  
 Number of gallons equates to 168 hours times 117 gallons per hour; 19,656 gallons.

## 2017 Supplemental Budget Request Decision Package

**Agency: 2250 – Washington State Patrol**

**Decision Package Code/Title: M2 MA Vehicle License Fraud**

**Budget Period: 2017 Supplemental Budget**

**Budget Level: Maintenance**

**Agency Recommendation Summary Text:**

The Washington State Patrol (WSP) received an appropriation of \$255,000 from the Vehicle License Fraud Account to fund the License Investigation Unit for the 2015-17 Biennium. Anticipated revenues are not sufficient to cover this entire appropriation. We are asking for an appropriation of \$115,000 from the GF-S Account to cover the projected shortfall for this biennium. *This proposal impacts the Highway Traffic Enforcement and Emergency Operations activity.*

**Fiscal Summary:** Decision package total dollar and FTE cost/savings by year, by fund, for four years. Additional fiscal details are required below.

Operating Expenditures	FY 2017			
General Fund - State	\$115,000			
<b>Total Cost</b>	<b>\$115,000</b>			
Object of Expenditure	FY 2017			
Obj. A	\$90,000			
Obj. B	24,000			
Obj. E	500			
Obj. J	500			

**Package Description**

Anticipated revenues to the Vehicle License Fraud Account (VLFA) are not sufficient to cover the entire \$255,000 appropriation in the 2015-17 Biennium. We are requesting an appropriation from the General Fund-State (GF-S) Account of \$115,000 to cover the projected shortfall for the 2015-17 Biennium to continue the work of the License Investigation Unit (LIU).

## **Background**

In 2004, the Washington State Patrol started a LIU utilizing one trooper and six volunteers to address citizen complaints of Washington residents operating vehicles licensed out of state. The program's intent is to increase license registration and tax revenue for the state by enforcing Washington State vehicle registration laws which are being circumvented by vehicle owners who register their vehicles in other states, primarily Oregon. Funding of the program enables the WSP to focus on this enforcement to ensure Washington residents pay the required taxes and fees which in turn fund improvements to the state's transportation infrastructure.

In July 2005, the Legislature provided funding to add more staff and technology. One trooper was added, an office outfitted, and up to 12 volunteers were brought on board. The program was funded by GF-S. This model placed the main focus on mailing suspected violators a postcard informing them of their obligation to license their vehicles in Washington and a secondary focus of traffic stop enforcement.

The program was eliminated in the 2009-11 Biennium budget. In the 2010 Supplemental Budget, the Legislature reinstated the program by providing the WSP an appropriation from the Vehicle License Fraud Account. Revenue to this account is primarily from penalties collected from infractions issued and found committed under RCW 46.16A.030, *Registration and display of plates required – Penalties – Expired registration, impoundment*. The original intent was for revenues (monetary penalties) to fund the program. Revenues have not been sufficient to cover expenditures so the Washington State Patrol seeks to have the LIU funded by GF-S on an ongoing basis to ensure consistent funding.

The current model utilizes one sergeant, one trooper, and two volunteers; and places an emphasis on issuing infractions with a secondary focus of mailing postcards. It is clear after analysis of recent enforcement actions (see below) that the model used in 2005 is a more effective way of gaining compliance and generating owed revenue.

Infractions issued under RCW 46.16A.030, have been subject to mitigating factors imposed by commissioners, judges, and other presiding authorities. Clark County has two commissioners who hear license fraud cases. Every infraction issued in Clark County District Court is reviewed monthly for adjudication outcomes. Since July 2014, 91 infractions were written. Of those, 11 percent of those violators paid the penalty. The remaining 89 percent either contested the ticket or failed to appear, thus no money is obtained for the program. Violators that contested the infractions were found to have committed the violation by the commissioner approximately 59 percent of the time. The remaining infractions were either found not committed or dismissed by the commissioner. Commissioners are significantly more likely to dismiss or find the infraction was not committed if the defendant is represented by an attorney or if the defendant shows up to court with a valid Washington vehicle license that was obtained after the infraction was issued.

Having this data, enforcement focus transitioned in July of 2015 on compliance with postcards mailed to Washington residents who license their vehicle out of state. Informational tags have also been placed on potential violators' vehicles, especially when a mailing address is unknown. Approximately 19 percent of the time an information tag is used, the vehicle owner has complied with the licensing requirement.

When a postcard is mailed, the owner of the vehicle complies about 26 percent of the time. Since July of 2014, the LIU has mailed out 2,892 postcards which has generated approximately \$292,670. Tracking of informational tags started in January of 2016 and is up to 2,997 tags with approximately \$118,244 in generated revenue. In addition to infractions, postcards, and tags, the LIU has developed an excellent partnership with the Washington State Department of Revenue (DOR). From July of 2015, referrals to the DOR have generated an additional \$163,625 in tax revenue.

In 2015-17, we requested a fund switch to GF-S but did not receive it; only a reduced appropriation in the 04V account to match program revenues. If LIU receives an appropriation from the GF-S, the unit can continue to focus on encouraging compliance with postcard reminders of Washington law to generate the license registration revenue required without generating penalties to fund the unit's activities. If we do not receive additional funding, this focused effort will be discontinued.

This request supports several strategies in our strategic plan and is directly related to the following goal and WSP priority:

**GOAL #2:** Make people safe on Washington roadways.  
*2.2 Enhance safety and services to our citizens through targeted enforcement, education, emergency communications, collision investigations, motorist assists, and other calls for service.*

Sergeant Glen Hobbs is the subject matter expert for this request and he may be reached at (360) 449-7919.

**Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service.**

Our current appropriation comes from the VLFA which is funded with monetary penalties for infractions cited and found committed. Currently, we are funded \$255,000 from the VLFA. This funding includes salaries, benefits, and some supplies and equipment for one trooper and one sergeant for investigation and enforcement of potential violators of license fraud.

**Decision Package expenditure, FTE and revenue assumptions, calculations and details:**

Expenditures include salaries and benefits for one trooper and one sergeant assigned to the unit, as well as supplies and equipment required to run the unit's activities. Supplies and equipment include but are not limited to postcard paper, printing costs,

mailing fees, and software upgrades and renewals. Current expenditures are averaging \$11,000 per month. Current revenue is averaging \$5,700 per month from various counties and cities. The Fund Balance is approximately \$28,000 and will be solvent until January 2017.  $(28,000 / (11,000 - 5,700) = 5.3$  months)

### **Decision Package Justification and Impacts**

#### **What specific performance outcomes does the agency expect?**

This decision package provides essential support to Goal 2 of the Governor's Results Washington priorities: *Prosperous economy* and Goal 4: *Healthy & Safe Communities* by providing sustainable funding for the License Investigation Unit.

This request will ensure the LIU is able to continue enforcing vehicle registration laws to ensure Washington residents pay the registration fees and taxes due on vehicles operated in the state. Continued enforcement may encourage citizens who consider licensing their vehicle in Oregon or other states to adhere to the law and license their vehicle in Washington.

#### **Performance Measure Detail**

##### **Fully describe and quantify expected impacts on state residents and specific populations served.**

This request will ensure funding for the LIU and enable continued enforcement of vehicle registration laws through the 2015-17 Biennium.

Potential violators will be impacted as they are cited and pay the fines for evading state registration fees as well as the registration fees and taxes owed. All Washington citizens will benefit because the state will have the funds available to better maintain transportation infrastructure, making the roads and other transportation methods safer for everyone.

Vehicle license fraud enforcement activities have provided the following successes since July 2014:

- Approximately 2,900 postcards mailed to potential violators driving out of state registered vehicles in Clark County
- Approximately 26 percent compliance on the postcard notification with owners registering their vehicles in the state
- Issuance of 91 infractions to violators for failing to license their vehicles in Washington
- Recovery of approximately \$575,000 in registration fees or use taxes paid by persons either contacted via postcard or a trooper during a traffic stop

Note: The dollar amounts listed above are estimates considering the fact that someone receiving a WSP postcard could have planned to register their vehicle in Washington and the timing of the postcard coincided with their original plan to register the vehicle. Also, some of these dollars are accounted for by the

Department of Revenue (DOR) when they report recoveries as the original violation was referred to the DOR by the WSP.

Given the past successes of the LIU, the WSP expects similar future results making the Vehicle License Fraud program a successful one.

**What are other important connections or impacts related to this proposal?** Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
<b>Regional/County impacts?</b>	<b>Yes</b>	<b>Identify:</b> State revenue by collection of taxes will better maintain and improve transportation infrastructure for safer mobility of people, goods and services.
<b>Other local gov't impacts?</b>	<b>Yes</b>	<b>Identify:</b> Other local governments and law enforcement rely on our agency for support in investigating and enforcing potential violators of license fraud.
<b>Tribal gov't impacts?</b>	<b>No</b>	<b>Identify:</b>
<b>Other state agency impacts?</b>	<b>Yes</b>	<b>Identify:</b> Department of Licensing and Department of Revenue
<b>Responds to specific task force, report, mandate or exec order?</b>	<b>No</b>	<b>Identify:</b>
<b>Does request contain a compensation change?</b>	<b>No</b>	<b>Identify:</b>
<b>Does request require a change to a collective bargaining agreement?</b>	<b>No</b>	<b>Identify:</b>
<b>Facility/workplace needs or impacts?</b>	<b>No</b>	<b>Identify:</b>
<b>Capital Budget Impacts?</b>	<b>No</b>	<b>Identify:</b>
<b>Is change required to existing statutes, rules or</b>	<b>No</b>	<b>Identify:</b>

<b>contracts?</b>		
<b>Is the request related to or a result of litigation?</b>	<b>No</b>	<b>Identify lawsuit (please consult with Attorney General's Office):</b>
<b>Is the request related to Puget Sound recovery?</b>	<b>No</b>	<b>If yes, see budget instructions Section 14.4 for additional instructions</b>
<b>Identify other important connections</b>		

**Please provide a detailed discussion of connections/impacts identified above.**

**What alternatives were explored by the agency and why was this option chosen?**

In the 2005-07 Biennium, the LIU was funded by the GF-S to focus on mailing information postcards to suspected violators. The program was eliminated in the 2009-11 biennium budget, but reinstated in the 2010 Supplemental Budget with an appropriation from the VLFA. Revenues from collection of penalties were to sustain the program. Revenues did not sustain the program, and funding was transferred from the State Patrol Highway Account in 2011-13 Biennium. A fund switch occurred in the 2014 Supplemental Budget from the GF-S to continue the LIU. The appropriation from the VLFA was decreased in the 2015-17 Budget to the current amount of \$255,000. Current revenues into this account are not meeting anticipated needs to continue the unit's enforcement.

The current efforts of the LIU have been successful in investigating potential license fraud violators. To continue these efforts, additional funds from the GF-S will support the unit through the remaining biennium.

**What are the consequences of not funding this request?**

If this request is not funded, we anticipate that funds from the VLFA will be depleted beginning in January 2017 and we will eliminate the unit. LIU staff would return to patrolling the roads. Some enforcement of RCW 46.16A.030 would still likely occur, but it would not be a specific emphasis and likely result in reducing state revenues.

**How has or can the agency address the issue or need in its current appropriation level?**

Projected expenditures indicate that the Vehicle License Fraud Account will be depleted beginning in January 2017 and the LIU will be eliminated. Continued enforcement of potential violators would still likely occur, but not at ideal levels which will result in reducing state revenues.

**Other supporting materials:** Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

**Information technology:** Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

No 

Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)

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PLACEHOLDER

## 2017 Supplemental Budget Request Decision Package

**Agency:** Washington State Patrol

**Decision Package Code/Title:** M2-MB Fire Mobilizations

**Budget Period:** 2017 Supplemental Budget

**Budget Level:** Maintenance Level

**Agency Recommendation Summary Text:**

The Washington State Patrol (WSP) has incurred costs in excess of the \$8 million 2015-17 Biennium appropriation for state fire mobilizations from the Disaster Response Account. This request seeks funding to cover incurred costs associated with the Washington State Patrol's statutory requirement to reimburse local jurisdictions, other state and federal agencies, and volunteer firefighters for their work in combating wildfires in Washington State.

**Fiscal Summary:** Decision package total dollar and FTE cost/savings by year, by fund, for 4 years. Additional fiscal details are required below.

Operating Expenditures	FY 2017			
General Fund - State	\$2,000,000			
<b>Total Cost</b>	<b>\$2,000,000</b>			
Staffing	<b>FY 2017</b>			
FTEs	0.0			
<b>Object of Expenditure</b>	<b>FY 2017</b>			
Obj. A	\$218,400			
Obj. B	13,600			
Obj. E	1,760,000			
Obj. G	8,000			

**Package Description**

In July 2003, the Washington State Patrol assumed responsibility for the consolidation of state-declared fire mobilizations within Washington State, requiring the WSP to reimburse local jurisdictions, other state and federal agencies, businesses, and volunteers for expenses incurred during each mobilization. The 2016 Supplemental

Budget appropriated a total of \$34.365 million to cover the costs of the historic 2015 fire season and preserve the \$8 million Disaster Response Account appropriation from the 2015-17 Biennium Budget for the 2016 fire season.

Fire mobilizations have been declared in response to 17 wild land fires since May 2016. With the Deep North Fire, the estimated mobilization costs exceeded the Disaster Response Account appropriation. This has required us to use our General Fund to support these costs. As of October 12, 2016, an additional \$1.31 million General Fund appropriation is required to meet the Washington State Patrol's statutory obligation for state-declared fire mobilizations totaling \$9.310 million for the 2016 fire season (FY2017). In addition, we request an additional \$690,000 to ensure funding is available for any early 2017 fire season mobilizations in May – June 2017. New mobilizations often begin with an estimated cost of \$200,000 to \$350,000. The requested amount would ensure that we had the resources necessary for the initial response of two to three early season mobilizations. The total of the requested funding is \$2 million General Fund-State.

The following table displays the total estimated cost for each fire.

<b>FY2017 Fire Mobilizations</b>		
<b>Fire Title</b>	<b>Date Declared</b>	<b>TOTAL ESTIMATED COSTS</b>
Sunland (FY16 Fire)	5/29/2016	\$175,000
Black Rock	7/30/2016	450,000
North Touchet	7/30/2016	425,000
* South Ward Gap	7/31/2016	575,000
Road 10	8/2/2016	250,000
Snake River	8/2/2016	2,000,000
Lower Crab Creek	8/6/2016	300,000
Fletcher Road	8/7/2016	300,000
Palouse Falls	8/7/2016	100,000
* Wellesley (Spokane Complex)	8/21/2016	135,000
Hart	8/21/2016	550,000
* Yale (Spokane Complex)	8/21/2016	1,900,000
Kahlotus	8/22/2016	275,000
Deep North	8/22/2016	830,000
* Suncrest	8/27/2016	325,000
230 Switch Yard	9/11/2016	360,000
Old Lady Creek	9/12/2016	360,000
<b>Total Mobilization Costs</b>		<b>\$9,310,000</b>
Less Disaster Response Account (05H) Appropriation		(8,000,000)
<b>Total Mobilization Costs in excess of Appropriation</b>		<b>\$1,310,000</b>

*\*Approved for Federal reimbursement through the Fire Management Assistance Grant (FMAG) program (75% of eligible costs)*

**Total FMAG Eligible Costs** **\$2,935,000**

Four of these fires, as identified above, are eligible for Federal Emergency Management Agency (FEMA) reimbursements. These fires will be reimbursed at 75 percent of eligible costs; however these reimbursements are normally received as much as a year after the fire and are deposited directly back into the Disaster Response Account.

The Washington State Patrol's ability to meet all of its obligations to other agencies, local governments, and the citizens of the state will be severely impacted without the addition of \$2,000,000 to our General Fund appropriation.

Mr. Bill Slosson is the subject matter expert for this request and he may be reached at (360) 596-3902.

**Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service.**  
This request is not an expansion or alteration of a current program.

**Decision Package expenditure, FTE and revenue assumptions, calculations and details:**  
The costs presented are based on the most current estimated final costs of the listed fires, as well as an additional \$690,000 to ensure resources are available for potential early 2017 fire season mobilizations.

### **Decision Package Justification and Impacts**

#### **What specific performance outcomes does the agency expect?**

Each year's fire season is unique in terms of the occurrence and location of wild land fires. The summer of 2016 had seventeen fire mobilizations that obligated the State Patrol to \$9.31 million in costs for volunteer firefighter compensation, reimbursements to career firefighters and fire districts, reimbursements to other state and federal agencies for fire support, and agency costs related to the management of the mobilization.

We do not have discretion regarding these costs. Whatever the number and duration of wild land fires that result in a mobilization, the WSP must respond. Further, we are not able to control or mitigate these costs beyond efficiently managing the mobilization when it occurs. By funding this request we will be able to meet our statutory obligations to provide reimbursement for fire mobilizations without having to reduce or eliminate other critical fire service programs and negatively impacting public safety.

#### **Performance Measure detail:**

N/A

#### **Fully describe and quantify expected impacts on state residents and specific populations served.**

The WSP Fire Protection Bureau's key clients and services, the state's fire service and others providing the first response to a fire, will be significantly impacted if reimbursement for the cost of fire mobilizations is not received. While the WSP has used its own resources to respond to the fires, other critical services provided by the WSP will be severely impacted, or even eliminated entirely if we are not reimbursed.

**What are other important connections or impacts related to this proposal?**

Impact(s) To:		Identify / Explanation
<b>Regional/County impacts?</b>	<b>Yes</b>	<b>Identify:</b> As identified in the State Fire Services Mobilization Plan.
<b>Other local gov't impacts?</b>	<b>Yes</b>	<b>Identify:</b> As identified in the State Fire Services Mobilization Plan.
<b>Tribal gov't impacts?</b>	<b>Yes</b>	<b>Identify:</b> As identified in the State Fire Services Mobilization Plan.
<b>Other state agency impacts?</b>	<b>Yes</b>	<b>Identify:</b> As identified in the State Fire Services Mobilization Plan.
<b>Responds to specific task force, report, mandate or exec order?</b>	<b>Yes</b>	<b>Identify:</b> The Washington State Patrol is mandated by RCW 43.43.961 to reimburse State and Local entities for costs related to State Authorized Mobilizations as identified in the State Fire Services Mobilization Plan, as well as process the compensation of Volunteer Firefighters participating in the mobilization efforts.
<b>Does request contain a compensation change?</b>	<b>No</b>	<b>Identify:</b>
<b>Does request require a change to a collective bargaining agreement?</b>	<b>No</b>	<b>Identify:</b>
<b>Facility/workplace needs or impacts?</b>	<b>No</b>	<b>Identify:</b>
<b>Capital Budget Impacts?</b>	<b>No</b>	<b>Identify:</b>
<b>Is change required to existing statutes, rules or contracts?</b>	<b>No</b>	<b>Identify:</b>
<b>Is the request related to or a result of litigation?</b>	<b>No</b>	<b>Identify lawsuit (please consult with Attorney General's Office):</b>

<b>Is the request related to Puget Sound recovery?</b>	<b>No</b>	<b>If yes, see budget instructions Section 14.4 for additional instructions</b>
<b>Identify other important connections</b>		

**Please provide a detailed discussion of connections/impacts identified above.**

**What alternatives were explored by the agency and why was this option chosen?**

The only alternative is for us to cover the mobilization costs in excess of our Disaster Response Account appropriation with our General Fund appropriation. This will require General Fund State funded services to be significantly reduced or eliminated, causing an adverse effect on public safety.

**What are the consequences of not funding this request?**

Without an increase to the Washington State Patrol's General Fund appropriation, our ability to provide services will be critically impacted. These include fire life/safety services of the Fire Protection Bureau, most laboratory services of the Forensic Laboratory Services Bureau, and many specialized investigation services provided statewide by the WSP.

**How has or can the agency address the issue or need in its current appropriation level?**

The WSP has used current resources intended for other agency programs to respond to the fires. These critical services will be severely impacted, or even eliminated entirely if we are not reimbursed.

**Other supporting materials:** Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

**Information technology:** Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

No 

Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)

**Washington State Patrol  
16-Year Transportation Plan**

**Updated with the September 2016 Forecast and the 2017 Supplemental Request**

*(Dollars in Thousands)*

		15-17	17-19	19-21	21-23	23-25	25-27	27-29	29-31	31-33
		Plan								
<b>State Patrol Highway (081) • Washington State Patrol</b>										
Beginning Fund Balance - Per Enterprise Report - 6/30/2015		47,705	22,225	56,303	100,707	158,154	228,851	310,217	391,614	473,041
Minimum fund balance-reserve-per Legislative plan		-	-	-	-	-	-	-	-	-
<b>Adjusted Balance</b>	<b>S</b>	<b>47,705</b>	<b>22,225</b>	<b>56,303</b>	<b>100,707</b>	<b>158,154</b>	<b>228,851</b>	<b>310,217</b>	<b>391,614</b>	<b>473,041</b>
Motor Veh Lics Permits Fees Distr	S	346,632	408,721	418,470	430,958	443,736	453,942	453,942	453,942	453,942
Driver Related Lics Permits Fees Distr	S	28,942	28,299	28,790	29,259	29,643	30,014	30,014	30,014	30,014
Terminal Safety Inspection Fees From UTC	S	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700
Breath Test Fees	S	3,084	3,084	3,084	3,084	3,084	3,084	3,084	3,084	3,084
ACCESS user fees	S	1,426	1,520	1,557	1,591	1,624	1,658	1,658	1,658	1,658
Communications Sites (tower lease fees)	S	757	803	852	904	959	1,017	1,048	1,079	1,111
Treasury Deposit Earnings	S	90	90	90	90	90	90	90	90	90
Other Revenue	S	10	10	10	10	10	10	10	10	10
Court DUI cost reimbursement	S	1,299	1,376	1,376	1,376	1,376	1,376	1,376	1,376	1,376
Commercial Vehicle Division Penalties	S	630	630	630	630	630	630	630	630	630
Administrative Transfer In (108 to 081)	S	20,000	-	-	-	-	-	-	-	-
Administrative Transfer Out (081 to Connecting Washington Account)	S	(9,690)	-	-	-	-	-	-	-	-
Moore vs. Health Care	S	(126)	-	-	-	-	-	-	-	-
Federal Funds	F	13,291	13,291	13,291	13,291	13,291	13,291	13,291	13,291	13,291
Local Funds	L	3,823	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600
<b>Total Revenues</b>		<b>412,868</b>	<b>464,124</b>	<b>474,450</b>	<b>487,493</b>	<b>500,743</b>	<b>511,412</b>	<b>511,443</b>	<b>511,474</b>	<b>511,506</b>
<b>WSP - Operating</b>	S	415,364	413,100	413,100	413,100	413,100	413,100	413,100	413,100	413,100
<b>ML Requests</b>										
M2-8F Fuel Adjustment	S	55	55	55	55	55	55	55	55	55
	S	-								
<b>WSP - Operating - Federal Funds</b>	F	13,291	13,291	13,291	13,291	13,291	13,291	13,291	13,291	13,291
<b>WSP - Operating - Local Funds</b>	L	3,823	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600
<b>WSP Capital</b>		5,815	-	-	-	-	-	-	-	-
<b>Total WSP Expenditures</b>		<b>438,348</b>	<b>430,046</b>							
<b>Ending Fund Balance</b>		<b>22,225</b>	<b>56,303</b>	<b>100,707</b>	<b>158,154</b>	<b>228,851</b>	<b>310,217</b>	<b>391,614</b>	<b>473,041</b>	<b>554,502</b>

**Assumptions:**

1) Licenses, Permits and Fees estimates are based on the September 2016 Transportation Revenue Forecast.

2) Expenditures for the 2015-17 Biennium are based on legislative appropriations for the 2015-17 Biennium and the 2016 Supplemental Budget.

## 2017 Supplemental Budget Request

### **ELECTRONIC SUBMITTAL CONFIRMATION FORM**

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**Agency Number:** 2250

**Agency Name:** Washington State Patrol

Agencies are required to provide electronic access to each decision package in their budget request as part of the submittal process. Confirm Option 1 or 2 below:

Option 1(Preferred):

- This agency posts all decision packages for our 2017 supplemental budget request to our public facing website at the following URL:

URL: [http://www.wsp.wa.gov/publications/reports/supplemental\\_budget\\_request.pdf](http://www.wsp.wa.gov/publications/reports/supplemental_budget_request.pdf)

Option 2:

- This agency does not post decision packages and has forwarded copies via e-mail to [OFM.Budget@ofm.wa.gov](mailto:OFM.Budget@ofm.wa.gov).

These decision packages conform to ADA accessibility compliance policy.

**Agency Contact:** Webmaster

**Contact Phone:** (360) 596-4000

**Contact E-mail:** wsp.webmaster@wsp.wa.gov

**Date:** October 24, 2016