

Agency 240

**Department of Licensing****Recommendation Summary**

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2007-09 Expenditure Authority</b>	1,319.0	3,727	276,448	280,175
<b>Supplemental Changes</b>				
Motor Pool Rate Increase		4	233	237
Internal Lease Rate Adjustments		2	(2)	
Compensation Technical Correction			737	737
License Security Guards	2.0		463	463
Real Estate Consumer Protection			367	367
Bail Bond/Bail Bond Recovery Agent #	.4		64	64
Enhanced Driver License	10.9		3,050	3,050
Online Recruiting Service		3	63	66
Increased Master License Activity			308	308
Support Vehicle Field System			611	611
Tax Examiner Reclassification			157	157
Central Service Technical Correction			419	419
Federal Authority			1,237	1,237
Pension Plan 1 COLA Funding			30	30
PEBB Rate Reduction		(34)	(2,235)	(2,269)
Postage Rate Adjustments		2	316	318
<b>Subtotal - Supplemental Changes</b>	<b>13.3</b>	<b>(23)</b>	<b>5,818</b>	<b>5,795</b>
<b>Total Proposed Budget</b>	<b>1,332.3</b>	<b>3,704</b>	<b>282,266</b>	<b>285,970</b>
Difference	13.3	(23)	5,818	5,795
Percent Change	1.0%	(0.6)%	2.1%	2.1%

**SUPPLEMENTAL CHANGES****Motor Pool Rate Increase**

Funding is provided for increased Motor Pool Vehicle Services costs. (General Fund-State, various other accounts)

**Internal Lease Rate Adjustments**

Costs for rent and related charges are transferred between programs and funds to reflect the actual utilization of facilities. (General Fund-State, various other accounts)

**License Security Guards**

Funding is provided for the workload associated with changes in federal anti-terrorism requirements and fingerprint technology. (Business and Professions Account-State)

## **TRANSPORTATION**

### **Real Estate Consumer Protection**

Funding is provided to enable the Real Estate Program to provide more education and informational materials to licensees and consumers on topics and issues related to real estate. Initially, the information will focus on the real estate market, mortgage fraud, and mortgage loan issues. (Real Estate Commission Account-State)

### **Bail Bond/Bail Bond Recovery Agent #**

Funding is provided to review and process additional documentation required as a result of agency request legislation relating to the regulation of bail bond and bail bond recovery agents. (Business and Professions Account-State)

### **Enhanced Driver License**

The enacted 2007-09 budget authorized an enhanced driver license and identity card (EDL/ID) based on the Department's cost estimates for creating a license that satisfied federal requirements under the Western Hemisphere Travel Initiative. An additional \$3,050,000 is now needed to conform to changes in federal requirements and to manage a significantly shorter timeframe to deliver EDL/ID. (Highway Safety Fund-State)

### **Online Recruiting Service**

To support the state's online recruitment tool (E-Recruiting), additional funds are provided for a one-time charge from the Department of Personnel. This will improve the ability of agencies to manage their recruitment and hiring processes as required by the Personnel System Reform Act of 2002.

### **Increased Master License Activity**

The continued success of the Master License Service program in acquiring new agency and municipal partners, coupled with changes in business practices, has resulted in an increase in mainframe processing. Funding is provided to pay the Department of Information Services for transaction-based fees. (Master License Account-State)

### **Support Vehicle Field System**

Funding is provided for critical system performance monitoring tools and computer programming modifications to the statewide Vehicle and Vessel Title and Registration system (VFS) to ensure acceptable customer service standards in county auditor and subagent offices. Transactions processed through the VFS account for \$1.26 billion in state and local government revenue each year. (Motor Vehicle Account-State, DOL Services Account-State).

### **Tax Examiner Reclassification**

Effective September 1, 2007 all Prorate Fuel Tax Auditor 2 positions were reallocated to Excise Tax Examiner 2 positions and Prorate Fuel Tax Auditor 3 positions were reallocated to Excise Tax Examiner 3 positions. Funding is provided to cover the cost of these reallocations. (Motor Vehicle Account-State)

### **Central Service Technical Correction**

Funding is provided to adjust for technical errors in central service agency funding provided to the Department in the 2007-2009 budget and for a DIS frame relay rate increase. (General Fund-State, various other accounts)

### **Federal Authority**

The Department is provided additional expenditure authority for several federal grants. (Motor Vehicle Account-Federal)

### **Pension Plan 1 COLA Funding**

Funding was provided in the 2007-09 budget for the additional employer contributions to retirement systems required by modifications to the eligibility criteria for the uniform COLA in the Public Employees' Retirement System Plan 1 (PERS 1) and the Teachers' Retirement System Plan 1 (TRS 1) in Senate Bill 5175. This item moves that funding from the State Employee Compensation Adjustments agency into individual agency budgets. (General Fund-State, other funds)

**PEBB Rate Reduction**

The state contributes 88 percent of the total weighted average of the employee health care premium and also pays for the cost of dental, life and long-term disability insurance. Total Public Employees Benefit Board (PEBB) expenditures for the 2007-09 Biennium are anticipated to be lower than budgeted because (1) health plan costs for calendar year 2008 are lower than expected, which will benefit both the state and its employees; (2) the Uniform Medical Plan continues to perform better than projected; and (3) funding was removed from the PEBB administrative cost allocation for an information technology system replacement due to the restrictive nature of federal funding. The state employer contribution rate will be reduced from \$732 per month to \$575 per month. This one-time reduction will leave an unrestricted fund balance of \$19.2 million at the end of Fiscal Year 2009. (General Fund-State, various other funds).

**Postage Rate Adjustments**

Funding is provided for the postal rate increase that was effective in May 2007. (General Fund-State, various other accounts)