

How technology modernization will help

Transportation Benefit Districts

June 21, 2016

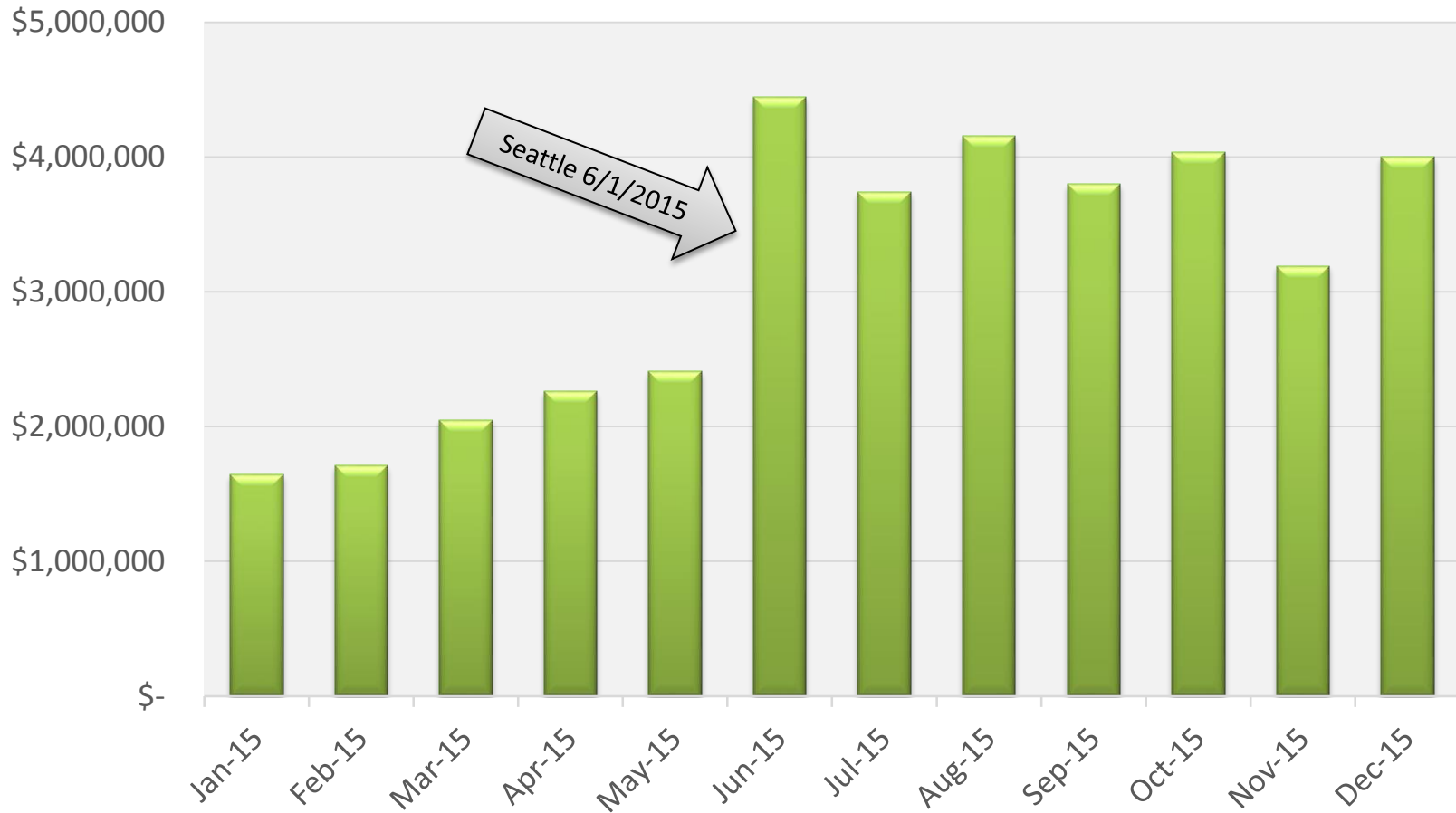
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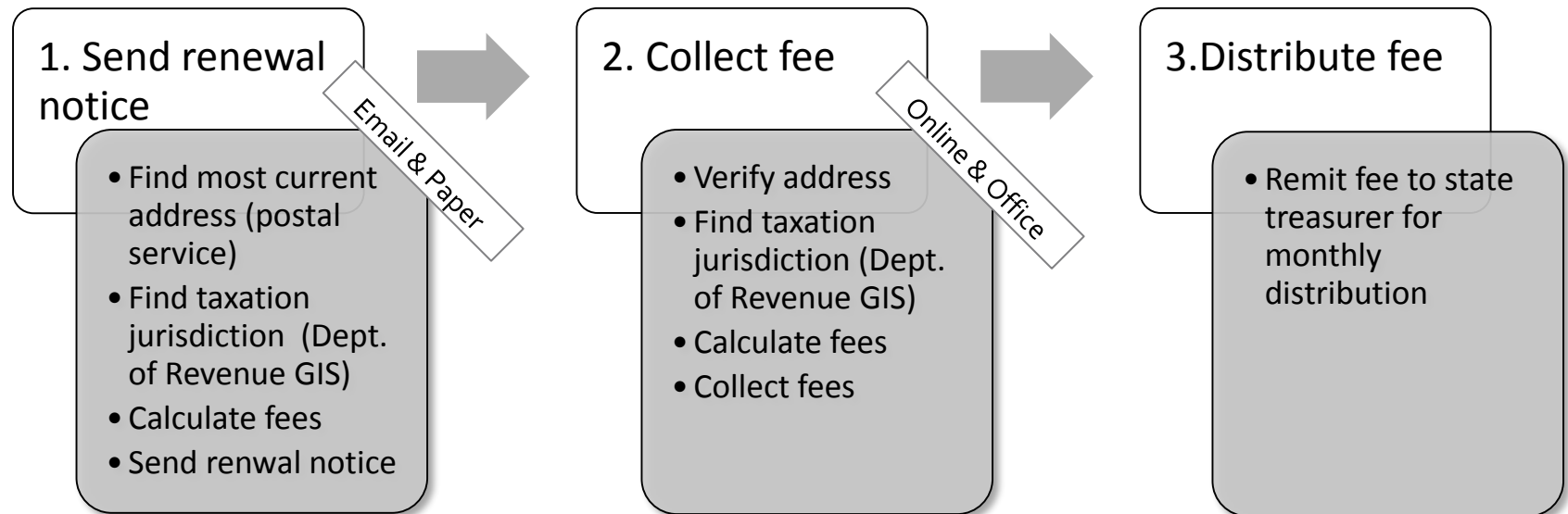
- Statute allows cities and counties to create a Transportation Benefit District (TBD).
- TBD's can place local fee on vehicle registrations to fund transportation projects.
- TBD sets the boundaries of district and contracts with DOL to collect fees.
- There are 50+ TBD's, 5 additional scheduled with 2016 effective dates.

Chapter 36.73 RCW and RCW 82.80.140

\$37.4M TBD revenue in 2015



How DOL collects TBD fees



Using old data lookup technology

1. Address has two taxation jurisdictions

2. Address corrections by DOL don't always stick

Changes aren't in the data yet

3. Waiting for annexation process

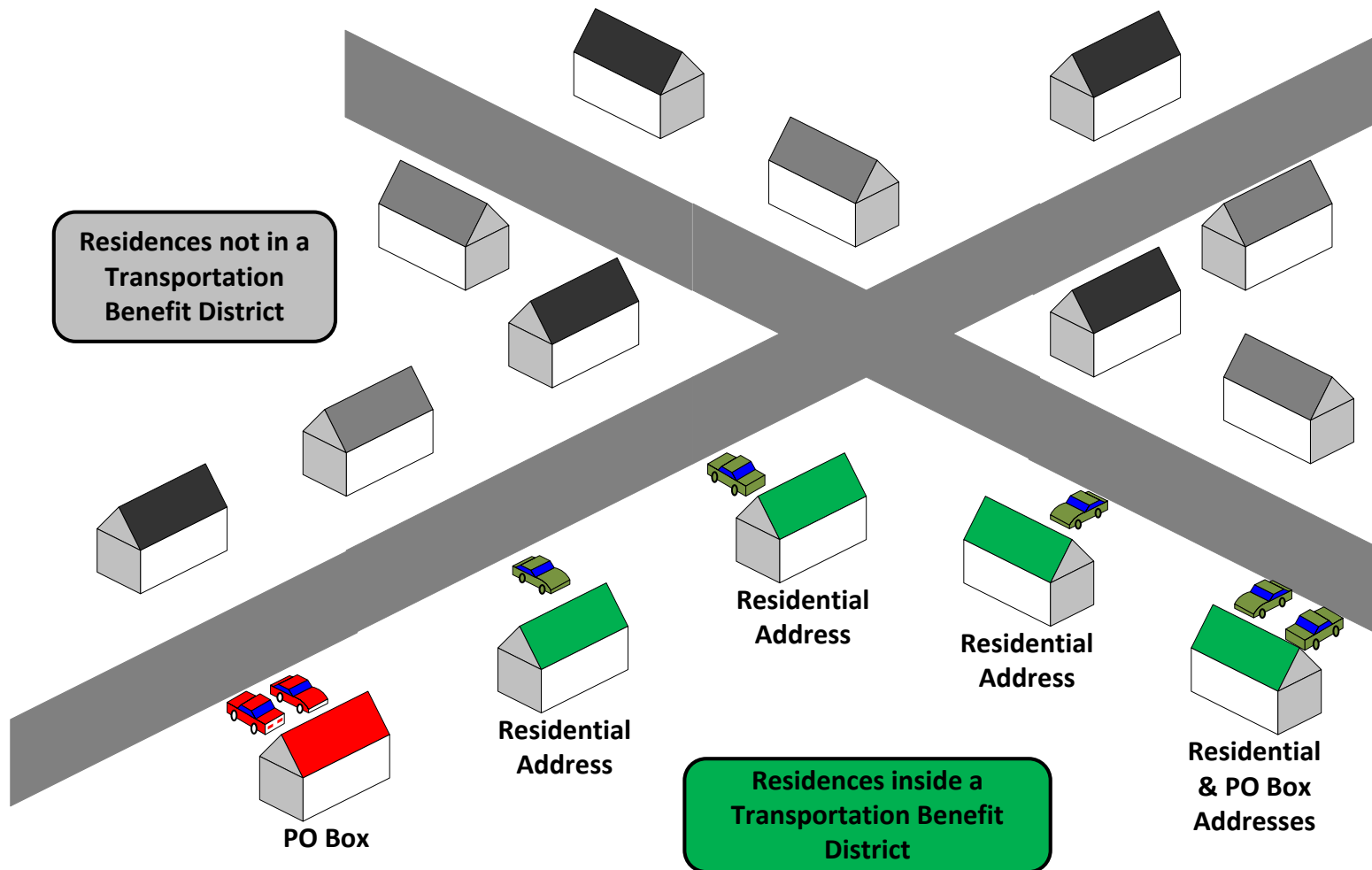
4. Waiting for data corrections

Can't tell they are in TBD

5. Do not charge fees if address is a PO box

6. DOR sales tax boundary doesn't always match TBD boundaries

PO boxes and boundaries



What new system will fix



Old data lookup technology sometimes resulted in multiple taxation jurisdictions for one address

New data lookup technology will always result in ONE taxation jurisdiction for an address

DOL updates/flags vehicle records to note correct taxing jurisdiction; these flags are overridden by DOR data every time system updates

DRIVES will recognize flags/taxing jurisdiction updates and keep them on vehicle record

New system will make significant improvements, but will not solve every issue.

OCTOBER 2015 - MARCH 2016

TBD vehicle renewal count	2,990,624
Total address corrections reported	174
Non-annexation related address corrections reported	56

- DOL's fraud unit has seen increase of cases of address fraud as geographically-based fees have become more prevalent.
- Vehicle licensing subagent office shut down in 2015; investigation showed employees engaged in address fraud to evade RTA and TBD fees.
- Customer awareness of geo-fees also leads to address fraud to avoid fees.
- New system will be better able to detect.

- New vehicle licensing system rolls out December 2015 and enters stabilization period.
- DOL continues to work with Association of Washington Cities and individual TBDs on specific issues and address problems where possible.