

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION
Revision 1

March 3, 2003

TO: Honorable Mike Krusee, Chair, House Committee on Transportation

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB200 by Berman (Relating to the authority of a municipality to implement a photographic traffic signal enforcement system; providing for the imposition of civil penalties and providing a criminal penalty.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would add a chapter to Title 7, Transportation Code, which would authorize a municipality to implement, by ordinance, a photographic traffic signal enforcement system and assess a civil penalty if a vehicle was operated in violation of a traffic signal. A city could contract for the administration and enforcement of such an ordinance, install and operate a system, or contract for the installation or operation of the system. The provisions of the bill would require that signs be posted to inform motorists that a system is in use.

Civil penalties would be initiated by mailing a violation notice to the motor vehicle owner. The amount of a civil penalty imposed would be \$75. Funds derived from civil penalties could only be used for traffic safety and traffic signal awareness and education programs, after deducting any amounts necessary for the operation and maintenance of the system. Civil penalties under this chapter could not be imposed if the violator was arrested or issued a citation by a peace officer for the same violation recorded by the photographic enforcement system. Once a year, not more than 15 days after the end of the municipality's fiscal year, the municipality would be required to submit a report and remit all net revenue, after permissible deductions, from civil penalties plus one-half of the revenue collected from late penalties to the Comptroller of Public Accounts for deposit into the Texas Mobility Fund 0365.

Implementation of the bill would do one or more of the following: (1) create or recreate a dedicated account in the General Revenue Fund; (2) create or recreate a special or trust fund either with or outside of the Treasury; or (3) create a dedicated revenue source. The fund, account, or revenue dedication included in the bill would be subject to funds consolidation review by the Legislature.

The bill would take effect immediately if it were to receive a favorable two-thirds vote in both houses; otherwise, it would take effect September 1, 2003.

Local Government Impact

The Texas Department of Transportation (TxDOT), using data in a report contracted for by the Federal Highway Administration, estimates equipment and installation costs of approximately \$60,000 per camera and \$5,000 per month for maintenance costs to process the data stored in the photographic device, for an annual cost of \$120,000 per camera (\$480,000 per intersection if four cameras are used). TxDOT also estimates that the proposed fine structure would offset all of the costs for the system and possibly provide additional revenue for other traffic safety efforts.

According to officials with the City of Richardson (population 91,802; annual budget of approximately \$138 million) who tested photographic traffic signal enforcement systems for one year, the cost for equipment, installation, and operation of five systems was approximately 1 of 2 \$200,000

per intersection. Under the provisions of the bill, the city's revenue projections at \$75 per citation would be between \$200,000 and \$400,000 the first year of implementation. Anticipating a reduction in red light violations in subsequent years (as has been seen in other states using these systems), the city estimates that revenue from the system would be reduced each subsequent year, but also assumes a reduction in secondary costs associated with collisions caused by red light violations.

A system vendor in Round Rock, Texas indicated costs could range from \$100,000 to \$280,000 per intersection for a photographic system depending on the type of system selected, variables within the system, and the number of approaches monitored. Municipalities could incur initial capital outlay of between \$100,000 and \$480,000 per intersection plus the continued annual costs of \$60,000 for operating and maintaining each system, including increased staff; or would experience an insignificant fiscal impact if the municipality contracts to lease the equipment and the administration of the program, with a portion of the fees collected used to pay the contractor. Even with a lease plan, the city could incur initial costs if installation preparation required changing lighting, clearing trees and overhangs, or providing engineering drawings and if those expenses were not included in the contract. Revenue generated from citations would offset the costs to a varying degree, depending on the number of violations. One-time costs of signs regarding the systems would be insignificant.

The fiscal impact would vary by municipality depending on the type of system implemented, the number of intersections monitored, and the number of violations occurring, but is expected to be revenue neutral for at least the first five years.

Source Agencies: 302 Office Of The Attorney General, 304 Comptroller Of Public Accounts, 405 Department Of Public Safety, 601 Department Of Transportation
LBB Staff: JK, JO, RR, JB, DLBa, WP