

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 26, 2007

TO: Honorable David Dewhurst , Lieutenant Governor, Senate
Honorable Tom Craddick, Speaker of the House, House of Representatives

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1623 by Phillips (Relating to certain offenses, fees, and penalties imposed for operating a motor vehicle or vessel in violation of law and to the use of the money collected.),
Conference Committee Report

The fiscal impact on the state and units of local government cannot be definitively estimated because it is unknown how many cameras might be installed, how many municipalities would install them, at what schedule, and at what allowable expense, among other factors.

Although the bill would not make an appropriation, it would establish the basis for an appropriation.

The bill would amend various sections of Chapters 502 and 521 of the Transportation Code and Chapter 31 of the Parks and Wildlife Code to add to the offenses for which a court would be authorized to dismiss a charge when certain conditions are met and the defendant pays an administrative fee not to exceed \$10. The bill would amend other sections of Chapter 521, Transportation Code, to change from \$10 to \$20 the administrative fee for dismissing certain other offenses.

Under provisions of the bill, the offense of Driving While License Invalid would be classified as a Class C misdemeanor unless it is shown at trial that the person has a previous conviction of certain offenses, in which case it would be a Class B misdemeanor. If it is shown that the license of the person has been previously suspended as the result of an offense involving the operation of a motor vehicle while intoxicated, the offense would be a Class B misdemeanor. Under current statute, a first offense is punishable by a fine of not less than \$100 or more than \$500 and confinement in county jail for between 72 hours and six months. Under current statute, a second offense is a Class A misdemeanor. A portion of certain fines and fees collected locally are submitted to the state. The fiscal impact from the proposed changes would depend on the number of cases dismissed, number of convictions, and discretion of the courts. However, the revenue gain is not expected to be significant.

The bill would amend Chapter 542 of the Transportation Code to define "photographic traffic signal enforcement system" (system) and require certain local authorities to remit certain system revenues to the state. The bill would add Chapter 782 to the Health and Safety Code to create General Revenue Account—Trauma Service Area Regional Advisory Council to receive the remittances. Money in the account would be dedicated and could only be appropriated to the Health and Human Services Commission to make distributions to trauma service area regional advisory councils. The distributions would be proportional to the amounts deposited to the account by local authorities.

The bill would define system expenses and allow local authorities to retain expenses before remitting 50 percent of the net revenues to the state for deposit in the new account. The remainder, after expenses and remittance to the state, would be deposited into a special account in the local treasury to be used for traffic safety programs. Under the bill, the maximum civil or administrative penalty would be \$75; and the maximum late penalty would be \$25.

The bill would allow the Comptroller to audit local authorities and impose a penalty equal to twice the amount of the money retained in excess of permissible amounts for retention.

The bill would take effect September 1, 2007. Sections of the bill related to civil penalties for red light camera violations and the remittances and dedicated account would take effect only if Senate Bill 1119, Eightieth Legislature, Regular Session, 2007, is enacted into law.

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

There are 21 Texas cities that have implemented or are in the process of implementing "photographic traffic signal enforcement systems," also known as red-light cameras.

The system in the City of Garland has been in operation the longest. The city generated over \$1 million in the first year of operation (2004), followed by \$1.4 million in 2005, the first full year of operation. Since then, revenues have dropped substantially, with receipts of \$0.8 million in 2006 and \$0.09 million for 2007 year-to-date.

The cities of Plano, Denton, and Richardson are in the first year of system implementation, but their data are insufficient to forecast revenues at this time. For reference purposes, Richardson and Plano have generated \$660,000 and \$560,000, respectively, since March 2006. Based on the monthly data from Richardson, revenues already may have peaked in October 2006. These data are gross revenue and do not include expenses.

Local Government Impact

As a result of changes proposed for Chapters 502 and 521 of the Transportation Code and Chapter 31 of the Parks and Wildlife Code, courts would experience a revenue gain resulting from imposing an administrative fee for offenses for which dismissal and an administrative fee were not currently authorized, as well as a gain from increasing from \$10 to \$20 other administrative fees; the revenue gain would vary by court, depending on how many applicable cases are dismissed and what amount up to \$10 or \$20 is imposed; however, no significant fiscal implication is anticipated. The fiscal impact resulting from the proposed changes in punishments would vary by court depending on the number of applicable cases that are heard and number of convictions that occur. No significant fiscal implication to units of local government is anticipated as a result of these changes.

The fiscal implication to units of local government regarding revenue remittances to the state from a photographic traffic signal enforcement system would vary depending on the number of cameras used in a system and the number of offenses committed (see examples cited above); therefore, the estimated fiscal impact to units of local government cannot be determined.

Source Agencies: 304 Comptroller of Public Accounts, 601 Department of Transportation

LBB Staff: JOB, KJG, DB, SD, CT