

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 20, 2011

TO: Honorable Harold V. Dutton Jr., Chair, House Committee on Urban Affairs

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

IN RE: HB2852 by Mallory Caraway (Relating to requiring signs at intersections with photographic traffic monitoring systems and photographic traffic signal enforcement systems.), **As Introduced**

The fiscal implications of the bill cannot be determined at this time because it is not known if any localities will discontinue the use of photographic traffic signal enforcement systems (systems) as a result of the bill. If any systems are discontinued a revenue loss to the state would occur.

The bill would amend the Transportation Code to require a municipality or a local authority to post signs at each intersection that has an operational photographic traffic monitoring system that allows a vehicle to turn right and indicate the location a vehicle must stop when facing a steady red signal.

The State receives 50 percent of the proceeds from civil penalties relating to the operation of photographic traffic signal enforcement systems (systems) for deposit in the Regional Trauma Account 5137 and any impact on local revenue would also have an impact on State revenue. The amount of revenue loss would vary depending upon the number of citations issued by localities that discontinue a system.

Local Government Impact

There could be a negative fiscal impact to a municipality or a local authority for the required signage, but the amounts would vary depending on whether the entity has any operational photographic traffic monitoring systems, and if signs were currently posted at each intersection.

The Comptroller of Public Accounts (CPA) also provided information from several municipalities that indicated the potential fiscal impact to regarding installing a sign at each intersection where a photographic traffic signal enforcement system is in use where a turning right is permissible. Based on the information obtained from the sample municipalities, the bill would have a negative one-time impact; however, the amount of the impact on other units of local government may differ from the sample local governments based on the characteristics of each local government.

The City of Dallas has 37 monitored right-turn lanes. The city estimated the installation cost per sign at each intersection where there is a monitored right-turn lane would be \$600 per intersection including \$150 per sign totaling a one-time start-up cost of \$22,200, if four signs are installed at each intersection. No additional staff would be required.

The City of Grand Prairie has nine monitored right-turn lanes. The city estimated the installation cost per sign at each intersection where there is a monitored right-turn lane would be \$600 per intersection including \$150 per sign totaling a one-time start-up cost of \$5,400, if four signs are installed at each intersection. No additional staff would be required. Grand Prairie estimated that \$862,955 was paid in fines in FY 2010; and after expenses were deducted the net revenue was \$195,105.

The City of Longview has eight monitored right-turn lanes. The city estimated the installation cost per sign at each intersection where there is a monitored right-turn lane would be \$684 per intersection

including \$171 per sign totaling a one-time start-up cost of \$5,472, if four signs are installed at each intersection. No additional staff would be required. The city is currently operating the red light camera program at a deficit to Redflex of approximately \$550,000; however, the contract has a cost neutral clause, which states the city is not liable to the company at the end of the contract.

Several cities reported the estimated costs for signs and some indicated revenue gain from fines: Frisco costs (\$450) and revenue gains (\$75,600); Balcones Heights costs (\$1,800); Arlington costs (\$10,200); North Richland Hills costs (\$5,400); Dallas costs (\$39,600); Richardson costs (\$1,350); and Fort Worth costs (\$50,820) and estimated revenue gains (\$1.9 million).

The City of Garland reported costs (\$4,800) and also noted that the City of Garland's Safelight Program does not generally produce net revenues due to a number of factors, mainly, the compliance rates and red light running reductions brought about through the program. The city is currently anticipating a deficit of \$3.0 to \$6.0 million in overall municipal operations.

The City of Plano reported costs (\$12,800) and also noted the City of Plano's revenue and operating expenses for the Photographic Traffic Signal Enforcement Program are contained in the Traffic Safety Fund which is a separate account from the City of Plano's General Fund; the current FY budget for the Traffic Safety Fund is an estimated \$2.5 million.

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

LBB Staff: JOB, KKR, SD, TP, LCO, JJO