



Legislative
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Nonpartisan Services for Colorado's Legislature

HB 18-1072

**FINAL
FISCAL NOTE**

Drafting Number:	LLS 18-0004	Date:	July 24, 2018
Prime Sponsors:	Rep. Humphrey Sen. Neville T.	Bill Status:	Postponed Indefinitely
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Bill Topic: RED LIGHT CAMERA REPEAL

Summary of Fiscal Impact:	<input checked="" type="checkbox"/> State Revenue (<i>minimal decrease</i>)	<input checked="" type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure (<i>minimal</i>)	<input checked="" type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill made the use of automated vehicle information systems for traffic law enforcement illegal in the state. The bill would have minimally reduced state revenue and decreased state workload on an ongoing basis. For local governments, the bill would have decreased revenue and workload on an ongoing basis.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill. This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

Summary of Legislation

This bill prohibits a government entity or an agent of a government entity from using automated vehicle identification systems (AVIS) to issue traffic citations. No evidence obtained through AVIS may be reported to the Department of Revenue, an insurance company, or an entity for a credit report. The bill allows AVIS to be used when assessing tolls or civil penalties for toll roads and high occupancy vehicle lanes.

Background

Uses of AVIS. Under current law, a municipality may adopt an ordinance that allows the use of AVIS to detect traffic violations. The Department of Public Safety is also authorized to use AVIS, upon request of the Colorado Department of Transportation (CDOT), to detect speeding violations within a highway maintenance, repair, or construction zone. Currently, the Department of Public Safety does not use AVIS.

Statutory guidelines for fines. Maximum original penalties for a traffic violation detected by AVIS are for a violation set in state law. The maximum original penalty for a violation captured by a red light camera is \$75, and the maximum original penalty caught by a photo speed van is \$40. If the violation caught by a photo speed van was committed in a school zone, the fee is doubled; there is no maximum penalty applied within a maintenance, construction, or repair zone.

If an AVIS catches a speeding violation of less than 10 miles per hour, and it is a driver's first offense, the government entity must mail a warning and cannot impose a fine. Subsequent fees may apply due to failure to respond, personal service, and default.

AVIS cannot be used unless a sign is posted, no fewer than 300 feet away, to notify the public that such a system is in use. A penalty assessment notice or a summons cannot be issued if captured on a photo radar unless an officer is present. Photo radar can only issue penalties in school zones, neighborhoods, construction zones, or streets that border parks. Government entities are not permitted to enforce a penalty by immobilizing a vehicle or reporting it to the Division of Motor Vehicles. No points may be assessed against an individual's driver license for a violation detected through the use of AVIS.

State Revenue

The bill minimally decreases the fee revenue collected by the Department of Revenue (DOR) and reduces HUTF revenue to the CDOT on an ongoing basis starting in FY 2018-19.

Department of Revenue. Currently, DOR charges private entities, which contract with local governments to operate AVIS, a fee to obtain mailing addresses of drivers so that penalty assessment notices or summons can be mailed. For individual record searches, the DOR collects a fee of \$2.60 per record, credited to the DRIVES Vehicle Services Account, and for bulk record searches, DOR collects a fee of \$25 per record, credited to the Highway Users Tax Fund (HUTF). Records are provided free of charge to local governments and law enforcement agencies through the use of an electronic system that local governments query on their own. It is assumed that reductions in revenue as a result of this bill will be minimal.

Department of Transportation. The bill will reduce revenue to the State Highway Fund in the CDOT due to a reduction of revenue credited to the HUTF from the fee DOR collects for bulk record searches. Currently, 65 percent of the HUTF is distributed to the State Highway Fund in the CDOT. The fiscal note assumes that reductions in HUTF revenue will be minimal.

TABOR Refund

This bill reduces state revenue from fees, which will reduce the amount of money required to be refunded under TABOR for FY 2018-19 and FY 2019-20. A TABOR refund obligation is not expected for the current FY 2017-18. Since the bill reduces the TABOR refund obligation without a corresponding change in General Fund revenue, the amount of money available in the General Fund for the budget will increase by an identical amount.

State Expenditures

This bill will increase workload for the DOR for FY 2018-19 only and reduces workload for the Judicial Department on an ongoing basis. These impacts are discussed in more detail below.

Department of Revenue. For FY 2018-19, workload will increase in the DOR to review all standing interagency agreements for providing record searches in order to discontinue or amend any agreements that include record sharing from AVIS systems. The DOR will also require some programming to discontinue electronic file transfers in their DRIVES and GenTax programs. Any workload increase can be accomplished within existing appropriations.

Judicial Department. Currently, violations detected by AVIS are mainly processed in municipal courts. Any citations contested in state trial courts is assumed low. As a result, the bill may slightly reduce workload in the Judicial Department but does not require a reduction in appropriations.

Local Government

Local governments that use AVIS systems will see a total decrease in fine revenue by an estimated \$5 million per year in the first full year of the bill's implementation. The bill will also reduce revenue and workload due to a decrease of HUTF revenue, personally served violations, and court cases to municipal courts. Table 1 shows a two-year average of revenue collected and costs incurred from 6 municipalities that use AVIS systems.

Table 1
Revenue and Expenditures from Municipal AVIS Use
2016 and 2017

City	2016 AVIS Revenue	2017 AVIS Revenue	Average Total Revenue	Average Total Cost	Total Net Revenue
Aurora	\$2,825,638	\$3,063,842	\$2,944,740	\$1,879,001	\$1,065,739
Boulder	\$1,648,145	\$1,800,000	\$1,724,073	\$1,223,272	\$500,801
Denver	\$6,563,157	\$5,289,853	\$5,926,505	\$2,671,792	\$3,254,713
Ft. Collins	\$589,158	\$630,000	\$609,579	\$623,714	(\$14,135)
Lone Tree	\$183,000	\$183,000	\$183,000	\$60,000	\$123,000
Greenwood Village	\$445,826	\$410,830	\$428,328	\$315,737	\$112,591
TOTAL	\$12,254,924	\$11,377,525	\$11,816,225	\$6,773,516	\$5,042,709

Source: Colorado Municipal League; Aurora Biannual Budget, Fort Collins Biannual Budget, Lone Tree Finance Office. Data represents CY 2016 and CY 2017; except for Boulder's, which is CY 2015 and 2016. Pueblo entered into a cost-neutral contract with their AVIS vendor, so their revenue and costs have not been included in this table.

HUTF funding. The bill will reduce revenue to counties and municipalities due to a reduction of money credited to the HUTF from the fee DOR collects for bulk record searches. Currently, 26 percent of the HUTF goes to counties and 9 percent go to municipalities. Any reduction in HUTF funding is expected to be minimal.

Local law enforcement. The bill will reduce workload and revenue for local law enforcement entities to the extent that they no longer will personally serve violators who do not pay. Currently, violators who are caught by an AVIS and do not pay the fine, can be served by local law enforcement. Local law enforcement agencies can charge for the actual costs of the service. The fiscal note assumes that reduced workload and revenue will be minimal.

Municipal Courts. The bill will reduce workload and revenue to municipal courts as a result of fewer cases being referred to municipal court. The precise revenue loss has not been estimated for this fiscal note.

Effective Date

The bill was postponed indefinitely by the House Transportation and Energy Committee on February 14, 2018.

State and Local Government Contacts

Counties
Local Affairs
Revenue

Information Technology
Municipalities
Sheriffs

Judicial
Public Safety
Transportation