

Colorado Legislative Council Staff Fiscal Note

**STATE and LOCAL
REVISED FISCAL IMPACT**

(replaces fiscal note dated February 2, 2009)

Drafting Number: LLS 09-0351
Prime Sponsor(s): Rep. Levy
 Sen. Bacon

Date: March 31, 2009
Bill Status: House Appropriations
Fiscal Analyst: David Porter (303-866-4375)

TITLE: CONCERNING WIRELESS TELEPHONE PROHIBITIONS FOR DRIVERS.

Fiscal Impact Summary	FY 2009-2010	FY 2010-2011
State Revenue		
Cash Funds		
Multiple Cash Funds – Penalties and Surcharges	\$ 574,000	\$ 984,200
State Expenditures		
General Fund	\$ 89,977	\$ 62,536
Cash Funds		
State Highway Fund	44,100	
FTE Position Change	1.2 FTE	2.0 FTE
Effective Date: December 1, 2009.		
Appropriation Summary for FY 2009-2010: See State Appropriations section.		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

HB09-1094, as amended by the House Transportation and Energy Committee, prohibits drivers from using a cell phone while the vehicle is in motion under the following circumstances:

- ▶ the driver is 18-years-old or younger;
- ▶ the vehicle is a school bus; and
- ▶ the vehicle is used to transport people for money and is subject to regulation by the Public Utilities Commission (i.e., a taxi or chartered bus).

Cell phone use includes forms of data transmission such as text messaging.

For other drivers, a hands-free accessory must be used to operate a cell phone while driving. An exception is made for contacting a public safety entity or during an emergency. The bill identifies a number of exceptions, including: police or peace officers, members of a fire department, ambulance drivers, members of rescue units, operators of an authorized emergency or service vehicle performing the duties of their job, or commercial drivers of vehicles over 10,001 pounds gross weight.

Violation of this law is a class A traffic infraction and carries a penalty of \$50 for the first offense and \$100 for second and subsequent offenses. A \$6 surcharge is also levied.

State Revenue

Total state penalty and surcharge revenue is estimated to be \$574,000 in FY 2009-10 and \$984,200 in FY 2010-11. This revenue estimate is based on the experience of Connecticut enacting a similar law and is based on first offenses only. A total of approximately 10,250 tickets will be issued in FY 2009-10 and 17,575 in FY 2010-11. The number of tickets is lower in FY 2009-10 due to the effective date of the bill (December 1, 2009).

Penalties and Surcharges. Violation of this law is a class A traffic infraction and carries a \$50 penalty for the first offense and a \$100 for second and subsequent offenses. Violation also carries a \$6 surcharge. Penalty revenue from citations issued by both state patrol officers and local law enforcement is credited to the Highway Users Tax Fund (HUTF) and distributed to the state, counties, and municipalities for highway purposes. Surcharge revenue is split evenly between the Victims and Witnesses Assistance and Law Enforcement Fund and the Crime Victim Compensation Fund and is distributed to victims and witnesses.

State Expenditures

State expenditures under HB09-1094 are \$134,077 in FY 2009-10 and \$62,536 in FY 2010-11. The Department of Revenue has personnel costs associated with ticket processing. Other expenditures are to equip personnel in the Department of Transportation and Department of Corrections with hands-free accessories for cellular telephones. Generally, hands-free accessories will be provided to personnel that spend a great deal of time driving between work sites and handle business affairs while driving. Costs are shown in Table 1 and discussed in the sections that follow.

Table 1. Expenditures under HB09-1094		
Cost Components	FY 2009-10	FY 2010-11
Department of Revenue		
Personal Services	\$36,381	\$60,636
<i>FTE</i>	<i>1.2</i>	<i>2.0</i>
Operating Expenses and Capital Outlay	11,596	1,900
Department of Corrections		
Hands-free Headsets	42,000	0
Department of Transportation		
Hands-free Headsets	44,100	0
TOTAL	\$134,077	\$62,536

Department of Revenue (\$47,977 General Fund and 1.2 FTE). The Department of Revenue requires 1.2 FTE in FY 2009-10 and 2.0 FTE in FY 2010-11 in order to process tickets. Personnel requirements and costs are based the anticipated number of tickets as follows:

- ▶ 10,250 tickets will be issued in FY 2009-10 and 17,575 will be issued per year beginning in FY 2010-11;
- ▶ an Administrative Assistant II will receive the penalty assessment, match payments to tickets, enter ticket information, and balance tickets (0.9 FTE in FY 2009-10 and 1.5 FTE in FY 2010-11);
- ▶ an Accounting Tech I will post payments to the accounting system (0.3 FTE in FY 2009-10 and 0.5 FTE in FY 2010-11);
- ▶ personnel needs are based on current rates of data processing; and
- ▶ standard operating costs and capital expenses are required for new personnel.

Department of Corrections (\$42,000 General Fund) – The Department of Corrections has 600 employees who travel frequently and require a hands-free headset. Headsets cost roughly \$70 each.

Department of Transportation (\$44,100 State Highway Fund) – The Department of Transportation will provide bluetooth headsets to 600 engineers and 30 senior managers at a cost of \$70 per person. These costs will be paid from the State Highway Fund. The headsets for the engineers (\$42,000) are from a Long Bill line item that is continuously appropriated. Headsets for senior managers (\$2,100) are paid from a Long Bill line that requires an appropriation.

Local Government Impact

This bill may increase HUTF fine revenue distributions to local governments. Counties and municipalities receive 35 percent of HUTF fine revenue for highway purposes.

State Appropriations

For FY 2009-10, HB09-1094 requires the following appropriations:

- ▶ \$ 47,977 and 1.2 FTE General Fund to the Department of Revenue;
- ▶ \$ 42,000 General Fund to the Department of Corrections; and
- ▶ \$ 2,100 State Highway Fund to the Department of Transportation.

Departments Contacted

Judicial	Local Affairs	Education
Regulatory Affairs	Revenue	Public Safety
District Attorneys	Military and Veterans	Labor
Corrections	Natural Resources	Transportation