Colorado Legislative Council Staff Fiscal Note

FINAL
FISCAL NOTE

Drafting Number:	LLS 15-0046	**Date:**	August 4, 2015
Prime Sponsor(s):	Rep. Van Winkle; Lebsock	**Bill Status:**	Vetoed by Governor
	Sen. Neville T.	**Fiscal Analyst:**	Kerry White (303-866-3469)

BILL TOPIC: RED LIGHT CAMERA

Fiscal Impact Summary	FY 2015-2016	FY 2016-2017
State Revenue	Minimal decrease. See State Revenue section.	
State Expenditures	Minimal workload impact. See State Expenditures section.	
FTE Position Change		
Appropriation Required: None.		

Summary of Legislation

This bill directs the state or a unit of local government to obtain voter approval before using automated vehicle identification systems, including red light cameras. Local governments with existing red light camera programs must submit a measure to voters on their continued use at the 2017 general election.

Existing red light camera programs. If the voters of a local jurisdiction that uses red light cameras do not approve of their continued use, the local government must discontinue the program within two months following the date of the certification of the vote. If jurisdictions that maintain red light cameras do not wish to submit a ballot question, they must discontinue the program no later than November 7, 2017.

Background

Ten local jurisdictions use red light cameras, including Aurora, Boulder, Commerce City, Denver, Fort Collins, Greenwood Village, Littleton, Lone Tree, Pueblo, and Sheridan.

Fine amounts for the violation of traffic laws detected by automated vehicle identification systems are established in statute at a maximum penalty of $40 for speeding and $75 for running a red light. Under current law, in the instance of either fine, the driver is served a penalty assessment notice or summons within 90 days of the alleged violation. Automated vehicle identification systems cannot be used to detect traffic law violations unless there are adequate signs notifying the public that such a system is in use.

Traffic control signal violations. The maximum fine penalty under current law for disobedience of a traffic control signal, such as running a red light, that is detected through an automated vehicle identification system is $75.

Departments of Transportation and Public Safety. The state does not currently use automated vehicle identification systems to enforce state traffic laws and does not collect penalty revenue from such activities.

State Revenue

State revenue. To the extent that local jurisdictions do not seek, or do not obtain, voter approval to continue the use of red light cameras and discontinue their program, this bill is expected to minimally reduce revenue to the Department of Revenue (DOR) from fees collected for record searches. Currently, if a local government contracts with a private entity for the operation of an automated vehicle identification system to detect traffic law violations, the private entity may contact the DOR to obtain the mailing address of the driver so that the penalty assessment notice or summons can be mailed. For record searches for private entities, the DOR collects a fee of $2.20 per record. 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. This bill will reduce the number of record searches performed by the DOR for private entities for the purposes of mailing notices and summons; however, the current system used by the DOR does not track the intended use of the information provided by record searches. It is assumed that reductions in revenue as a result of the bill will be minimal.

State Expenditures

Overall, this bill is expected to have a minimal workload impact on the DOR. As mentioned above, the DOR performs record searches for private entities on behalf of local governments to facilitate the mailing of penalty assessment notices and summons. This requires that interagency information sharing agreements be in place between the DOR and the local government. Under the bill, record searches for the purposes of mailing notices and summons for violations detected through automated vehicle identification systems will no longer be available, and the DOR will be required to update interagency agreements to reflect the change in law, as well as rules, manuals, forms, and the DOR's website. These activities can be accomplished without adjustments to appropriations.

Potential future costs. If the state were to decide to implement automated vehicle identification systems in the future, it would be required to submit a ballot question to the voters. Although no additional appropriation would be required, certain election costs to the state are appropriated as part of the regular budget process. First, state law requires that the state reimburse counties for costs incurred conducting a ballot measure election paid from the Department of State Cash Fund. Second, the text and title of the measure must be published in one legal newspaper per county and an analysis of the measure must be included in the Ballot Information Booklet (Blue Book) mailed to all registered voter households prior to the election paid from the Ballot Analysis Revolving Fund. For informational purposes only, Table 1 below identifies the anticipated costs for a single statewide ballot measure election in 2016.

Table 1. Projected Costs of a Single Statewide Ballot Measure Election in 2016	
Cost Component	**Amount**
County Reimbursement for Statewide Ballot Measures	$2,400,000
Ballot Information Booklet (Blue Book) & Newspaper Publication	$670,000
TOTAL	**$3,070,000**

Local Government Impact

This bill affects local governments in several ways. First, it increases costs for local governments that choose to submit a ballot question to voters. The costs to conduct an election depend on whether a local government has measures on the ballot or if a special election is needed. Based on costs identified by the City of Boulder, this may range from $25,000 to $150,000 per jurisdiction. In addition, the bill restricts the use of revenue from red light cameras to traffic safety related purposes only.

Second, conditional upon actions of voters, beginning in FY 2017-18, annual fine revenue to local governments statewide could decrease by up to $14.2 million and expenses would be correspondingly reduced by up to $7.9 million per year. Local governments use fine revenue to pay for all associated costs of running the program, including installation and maintenance of automated vehicle identification systems. Currently, 10 municipalities in Colorado use some form of automated vehicle identification system. Table 2 displays the revenue collected and costs incurred by local governments that use automated vehicle identification systems.

Table 2. 2014 Local Government Revenue and Costs from Use of Automated Vehicle Identification Systems				
City	**Speed Photo Radar Revenue**	**Red Light Camera Revenue**	**Program Cost**	**Total Fine Revenue**
Aurora	No Photo Radar	$3.4 million	$1.9 million	$3.4 million
Boulder*	$498,226	$970,605	$1,342,717	$1,468,831
Commerce City	No Photo Radar	$386,234	$243,434	$386,234
Denver	$5,597,307	$904,604	$2,637,367	$6,501,911
Fort Collins	$235,840	$410,325	$478,498	$646,165
Greenwood Village	No Photo Radar	$337,050	$282,559	$337,050
Littleton	No Photo Radar	$515,000	$515,000	$515,000
Lone Tree**	No Photo Radar	$154,770	$95,806	$154,770
Pueblo	No Photo Radar	$33,826	$21,580	$33,826
Sheridan	$395,435	$380,026	$401,244	$775,461
Totals	$6,726,808	$7,492,440	$7,918,205	$14,219,248

* Boulder's data is for 2013, as 2014 data was not available at the time of writing.
** Lone Tree's data is for 2013, as cameras were only in use for one month in 2014 due to construction.

Total program costs do not include reductions in workload or collections revenue as a result of fewer cases being referred to municipal court. The fiscal note assumes any such impacts are minimal.

Effective Date

The bill was vetoed by the Governor on June 3, 2015.

State and Local Government Contacts

Judicial	Transportation	Public Safety
Counties	Revenue	Local Affairs
Municipalities		