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FISCAL IMPACT STATEMENT

LS 7489
BILL NUMBER: HB 1292

NOTE PREPARED: Jan 7, 2011
BILL AMENDED:

SUBJECT: Distribution of Traffic Violation Judgments.

FIRST AUTHOR: Rep. Stevenson
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill has the following provisions:

- A. It provides that if funds are collected as a judgment for a moving traffic violation based on a citation issued by an officer of a local law enforcement agency: (1) 45% of the funds are deposited in the state General Fund; (2) 45% of the funds are deposited in the general fund of the political subdivision served by the local law enforcement agency to be used for public safety purposes; and (3) 10% of the funds are transferred to the law enforcement academy that serves the area in which the political subdivision is located; instead of 100% of the funds being deposited in the state General Fund.
- B. It retains exceptions for funds collected for infraction judgments: (1) in Marion County that are used to pay the compensation of appointed court commissioners and to pay costs of the county's guardian ad litem program; and (2) for violations of certain temporary worksite speed limits that are transferred to the Indiana Department of Transportation to pay the costs of hiring off-duty police officers to patrol highway work zones.

Effective Date: July 1, 2011.

Explanation of State Expenditures:

Explanation of State Revenues: *Summary-* The estimated annual revenue loss to the state General Fund is \$4.96 M. Under current law, all revenue from infraction judgments is deposited in the state General Fund, except for certain infraction judgments assessed in Marion County and for highway work zone violations (IC 34-28-5-4). As proposed, when an officer of a local law enforcement agency issues a citation for a moving

violation, only 45% of the infraction judgement would be deposited in the state General Fund.

In addition, roughly \$900,000 would go to law enforcement training academies. LSA could not determine which law enforcement academies each local law enforcement agency sends their officers to for training. Some added revenue would go to the following training academies in Indiana depending on which academies provide the training.

- Indiana Law Enforcement Academy at Plainfield
- Northwest Indiana Law Enforcement Basic Training Academy
- Indiana University Bloomington Law Enforcement Basic Training Academy
- Indianapolis Metropolitan Police Department Basic Training Academy
- Fort Wayne Police Department Basic Training Academy
- Indiana State Police Basic Training Academy
- Southwest Indiana Law Enforcement Training Academy, Evansville

Background Information- LSA could not find a source that reports the number of moving traffic citations that are issued by local law enforcement agencies and by the Indiana State Police, so an estimate was made based on reports from the Bureau of Motor Vehicles, the State Auditor's Office, the Indiana Supreme Court, and the Indiana State Police.

The Bureau of Motor Vehicles reports that 842,650 traffic citations were issued in CY 2008. During CY 2008, the Indiana State Police reported 341,363 stops for moving violations that are almost all traffic infractions, according to the Indiana State Police. LSA assumes that the balance of traffic infractions ($842,650 - 341,363 = 501,287$) are issued by local law enforcement agencies. The infraction revenue collected for moving violations issued by the Indiana State Police would not change.

Effect on State General Fund – The average revenue per judgment is estimated by the amount reported by the State Auditor (\$13,944,987 in CY 2008) divided by the number of infractions reported by the Indiana Supreme Court that were disposed in CY 2008 less the number of cases that were dismissed and thus not required to pay ($864,449 - 76,313 = 788,136$). The average revenue per infraction is \$18 ($\$13.9 \text{ M} \div 788,000 = \18 , rounded to the next dollar).

The revenue loss is estimated based on the proportion of infractions that LSA estimates that local law enforcement agencies issue ($501,287 \times \$18 = \9.02 M). Instead of receiving the entire \$9.02 M, the state General Fund would receive \$4.06 M ($\$9.02 \text{ M} \times 45\%$) a \$4.96 M loss. And roughly \$900,000 would go to law enforcement training academies.

Explanation of Local Expenditures:

Explanation of Local Revenues: The bill's provisions are estimated to result in a revenue increase of \$4.06 M ($\$9.02 \text{ M} \times 45\%$) for counties and municipalities, which would receive 45% of the infraction judgments ordered by the courts.

State Agencies Affected:

Local Agencies Affected: Counties and municipalities.

Information Sources: Bureau of Motor Vehicles; Indiana State Police; Office of the State Auditor; Indiana Supreme Court Division of State Court Administration; Law Enforcement Training Academy website.

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