

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7591**

**BILL NUMBER:** HB 1774

**NOTE PREPARED:** Feb 11, 2003

**BILL AMENDED:** Feb 10, 2003

**SUBJECT:** Motor Vehicle Financial Responsibility.

**FIRST AUTHOR:** Rep. Pelath

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:**  GENERAL  
 DEDICATED  
 FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill has the following provisions:

(A) It increases the minimum amounts of financial responsibility that must be in effect for 5 years with respect to a motor vehicle owned or primarily operated by a person who has at least one conviction or judgement related to operating while intoxicated.

(B) It makes it a Class C misdemeanor for a person to knowingly or intentionally operate a motor vehicle for which the increased minimum amount of financial responsibility is not in effect.

(C) It requires the court to require compliance with the increased financial responsibility requirements as a condition of probation.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** If additional court cases occur and fines are collected, revenue to both the Common School Fund and the state General Fund would increase. The maximum fine for a Class C misdemeanor is \$500. Criminal fines are deposited in the Common School Fund. If the case is filed in a circuit, superior, or county court, 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund.

**Explanation of Local Expenditures:** (Revised) A Class C misdemeanor is punishable by up to 60 days in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44.

Offenders who are sentenced to probation are required to comply with court orders requiring an offender to have a minimum amount of insurance on the probationer's car if the offender is operating a car.

**Explanation of Local Revenues:** If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

**State Agencies Affected:**

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:**

**Fiscal Analyst:** Mark Goodpaster, 317-232-9852