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FISCAL IMPACT STATEMENT

LS 6705

BILL NUMBER: HB 1098

NOTE PREPARED: Feb 4, 2004

BILL AMENDED: Feb 4, 2004

SUBJECT: Child Restraints in Motor Vehicles.

FIRST AUTHOR: Rep. Welch

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: GENERAL
 DEDICATED
FEDERAL

IMPACT: State & Local

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

- (1) It requires a person who operates a motor vehicle with a child who is less than 16 years of age to restrain the child by a child restraint system or a safety belt.
- (2) It removes the exception that a person who operates a vehicle registered outside Indiana is not required to use a child restraint system unless the vehicle is operated in Indiana for more than 60 days in a year.
- (3) It establishes the Child Restraint System Account within the General Fund.
- (4) It provides that violation of the child restraint laws does not:
 - (A) add points to the driver's traffic report; and
 - (B) count toward habitual violator status.
- (5) It provides that a person may not be stopped for a seat belt violation unless the person has violated a separate infraction or criminal offense.
- (6) It repeals the current law governing passenger restraint systems and safety belt use for children at least four and less than 12 years of age.

Effective Date: (Amended) July 1, 2005.

Explanation of State Expenditures: A Child Restraint System Account would be established within the state General Fund to make grants to private and public organizations to purchase and distribute child restraint systems at minimal or no charge. The Criminal Justice Institute would administer the account and make grants based on the recommendation of the Governor's Council on Impaired and Dangerous Driving. Administration costs are paid from the account.

Background: The Indiana Criminal Justice Institute serves as the state's planning agency for criminal

justice, juvenile justice, traffic safety, and victim services. The Institute develops long-range strategies for the effective administration of Indiana's criminal and juvenile justice systems and administers federal and state funds to carry out these strategies.

Explanation of State Revenues: (Revised) Under current law, children under 4 years of age must be restrained by a child restraint system, or if appropriate, a seat belt. Violations result in a Class D infraction. The bill would require children up to 16 years of age be restrained in a child restraint system or a seat belt with different requirements imposed based on the age of the child. All violations established in the bill would result in a Class D infraction.

Also, under current law, a vehicle operator is excluded from the child restraint requirements if the vehicle is operated in Indiana for less than 60 days and it is registered in a jurisdiction outside of Indiana, or if a rental vehicle is leased for not more than 30 days. Under the bill, a person who does not hold an Indiana driver's license and operates a vehicle in which there is a child less than 16 years of age not in a child restraint system or safety belt commits a violation. All rental vehicles would require proper systems.

To the extent that children between the ages of 4 and 16 would now be subject to the child restraint requirement or that a vehicle operator not licensed in Indiana would be subject to a violation, the number of passengers subject to these provisions would increase. However, because the bill provides that a person may not be stopped for a seat belt violation unless the person has violated a separate infraction or criminal offense, the number of infraction judgements is likely to decrease. In CY 2002, there were 3,760 guilty verdicts for child restraint violations.

If additional court cases occur, revenue to the state General Fund may increase if infraction judgments and court fees are collected. The maximum judgment for a Class D infraction is \$25 which would be deposited in the Child Restraint System Account within the state General Fund. If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed. 70% of the court fee would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court. If a criminal action, infraction, or ordinance violation involves a traffic violation, including this proposed offense, a highway work zone fee of either 50 cents or \$25.50 is assessed.

Infractions: Revenue from each class of infraction is not separately identified in the state accounting system. Revenues to the state from all infractions totaled \$10.6 M in FY 2003.

Repeal of Current Law: The bill repeals the current law governing passenger restraint systems and safety belt use. The bill provides that a person may not be stopped for a seat belt violation unless the person has violated a separate infraction or criminal offense.

The total revenue loss is estimated to be \$5.58 M. The estimated revenue loss would come from both federal grant monies that the state currently receives (\$2.7 M) and from fewer infraction judgments (\$2.88 M). The total revenue from infraction judgements for seatbelt violations is not known. Revenue from infraction judgements under these provisions will now be deposited in the Child Restraint System Account within the state General Fund, which will be administered by the Indiana Criminal Justice Institute for the purpose of making grants to private and public organizations to purchase and distribute child restraint systems. These revenues currently are deposited in the state General Fund.

Background: With some exceptions, under current law it is a Class D infraction for a person who is a front seat occupant of a passenger motor vehicle to not have a safety belt properly fastened about the occupant's body at all times when the vehicle is in forward motion (IC 9-19-10-2 and 9-19-10-6). Also under

current law, law enforcement officers may stop a car to determine if a driver is complying with this law. As proposed, it would still be a Class D infraction to drive without a seat belt, but law enforcement officers would not be permitted to pull a driver over to determine whether the front passenger occupants are wearing seat belts.

By federal standards, Indiana has a “primary seat belt law” because law enforcement agencies can stop a car if the officer reasonably suspects that an occupant is not wearing a seat belt as a primary reason. In states with secondary seat belt laws, a motorist can only be ticketed for being unbuckled if pulled over for another reason.

Federal Revenues: The state currently receives \$2.7 M in federal grant monies from the U.S. Department of Transportation.

- The state receives \$1.6 M because Indiana has a primary seat belt enforcement law. This money can be used for any activity in the in the area of occupant protection.
- The state has also received \$1.1 M for additional incentive monies because of the relatively high percentage of seat belt users. This money can be used for in any area of traffic safety.

By repealing the primary seat belt law, the state would not be eligible for these grants.

State Revenue: Under current law, it is a Class D infraction to not wear a seat belt when operating a vehicle. The maximum judgement for a Class D infraction is \$25. If law enforcement agencies may no longer stop a car simply because the occupants in the car do not have a car seat, it is likely that fewer citations will be written and revenue from infraction judgements will decline. The percentage of citations that occur because a law enforcement officer stopped a car simply because of the primary seat belt law is not known. However, because the number of citations issued has increased substantially since the primary seat belt law was enacted makes it likely that the majority of seat belt citations have occurred because of this law. The primary seat belt law was passed in 1998, and a Supreme Court decision upholding the statute was issued in 1999. Assuming that the annual number of citations issued would decline to the four-year average between 1996 and 1999 from the four-year average of citations issued between 2000 and 2003, the potential revenue loss to the state General Fund from fewer infractions would be \$2.88 M.

Calendar Year	1996	1997	1998	1999	2000	2001	2002	2003 (est.)
Guilty Citations Issued	40,523	32,498	38,962	28,719	79,688	233,886	134,534	153,386
Infractions Revenue in Millions at \$25 per Citation	\$1.01	\$0.81	\$0.97	\$0.72	\$1.99	\$5.85	\$3.36	\$3.83
Average Revenue in Million \$	\$0.88				\$3.76			
Difference in Million \$	(\$2.88)							
<i>Note: CY 2003 estimates are based on eleven months of data.</i>								

Explanation of Local Expenditures:

Explanation of Local Revenues: If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$70 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: Indiana State Police.

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

Information Sources: Bureau of Motor Vehicles.

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