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FISCAL IMPACT STATEMENT

LS 6832 | **NOTE PREPARED:** Jan 24, 2006
BILL NUMBER: HB 1287 | **BILL AMENDED:** Jan 23, 2006

SUBJECT: Transportation.

FIRST AUTHOR: Rep. Duncan | **BILL STATUS:** CR Adopted - 1st House
FIRST SPONSOR:

FUNDS AFFECTED: X **GENERAL** | **IMPACT:** State & Local
X **DEDICATED**
FEDERAL

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

Newspaper and Electronic Means for Receiving Bids: This bill requires the Indiana Department of Transportation (INDOT) to: (1) publish a notice of the time and place for the receiving of bids for a state highway contract in a newspaper; and (2) provide electronic access to the notice through the computer gateway administered by the Office of Technology

Class C Infractions: The bill requires a civil judgment of at least $100 to be imposed on persons who commit Class C infractions for violating certain railroad crossing statutes, and requires the civil penalties to be deposited in the Railroad Grade Crossing Fund to be used for: (1) the installation of automatic train-activated warning signals; and (2) passive railroad crossing safety improvement projects.

Removal of Vehicles: This bill provides for the removal of vehicles left in the clear zone adjacent to an interstate highway for more than 24 hours.

Reckless Driving: The bill provides that a person who operates a vehicle and who recklessly drives at such an unreasonably high rate of speed or at such an unreasonably low rate of speed under the circumstances as to endanger the safety of an individual authorized by the INDOT to be in a highway work zone commits a Class A misdemeanor.

Toll Bridge Provision: The bill provides that a certain toll bridge owned and operated by the Finance Authority becomes the property of the state and may be operated as a toll bridge.

Effective Date: July 1, 2006.

Explanation of State Expenditures: (Revised) *Newspaper and Electronic Means for Receiving Bids:* This part will require the creation or addition to existing web page of INDOT. Expenditures related to the web page creation are expected to be minimal. On average over the last three fiscal years, INDOT has spent approximately $5,800 on newspaper advertising for bids.

Removal of Vehicles: This provision will add to the workload of the State Police. Specific expenditures related to this activity are indeterminable. The funds affected are the state General Fund, the Motor Vehicle Highway Account, and the Motor Carrier Regulation Fund, all of which support the State Police.

Explanation of State Revenues: *Class C Infractions:* Under current law, the maximum judgment for a Class C infraction is $500, which is deposited in the state General Fund. Under the bill, a civil judgment of at least $100 would be imposed on a person found guilty of certain infractions concerning traffic control devices and vehicle operations. Funds collected for these offenses would be deposited into the Railroad Grade Crossing Fund. There are no data available to indicate how much money would no longer be deposited in the state General Fund and would instead be deposited in the Railroad Grade Crossing Fund.

Background on Class C Infractions: In FY 2005, revenues deposited in the state General Fund for all infractions were $13.2 M. On average between 2000 and 2004, there were 85 offenders a year found guilty of failing to stop at a stop sign at a railroad crossing and there were 743 offenders a year found guilty of failing to stop for a train signal. There were, on average, 75 offenders a year found guilty of driving left of the center line with an obstructed view. However, the data do not indicate how many were near or traversing a railroad crossing.

(Revised) *Reckless Driving:* There are no data available to indicate how many offenders may be convicted of the Class A misdemeanor created under the bill for driving at an unreasonably high or low rate of speed and endangering individuals authorized by the Indiana Department of Transportation to be in a highway work zone. 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 A misdemeanor is $5,000. 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.

If a criminal action, infraction or ordinance violation involves a traffic violation, including this proposed offense, a highway work zone fee of either $0.50 or $25.50 is assessed.

(Revised) *Toll Bridge Provision:* Under current law, a bridge constructed to an adjoining state that crosses the Wabash River cannot become part of the system of state highways free of tolls or a tollway. Instead, the tolls collected after the bonds are retired and all funding fully reimbursed are distributed to the Indiana Finance Authority (IFA) for operation and maintenance of the toll bridge and for a reserve fund for construction of other bridges over the Ohio River originating in the same county as the toll bridge.

Under the bill, on July 1, 2006, the bridge to which this section applies would become the property of the state of Indiana. The bridge would be operated and maintained by INDOT. INDOT could collect tolls for use of the

bridge and use the revenues operate and maintain the bridge. There is no indication if the reserves, if any, would also transfer to the state.

Background on Repeal of Toll Bridge Provision: The IFA is a body politic and corporate, not a state agency, but an independent instrumentality exercising essential public functions. To the extent that a toll bridge would become part of the system of free highways or a tollway, a new funding source would have to be found for maintenance and operation, which could include appropriations of state General Fund, tolls, or federal highway funds, for example.

Information concerning toll bridges in Indiana combines tolls for the Wabash Memorial Bridge to which this section applies with tolls for the Brandenburg-Mauckport Bridge to which this section does not seem to apply. Average annual receipts for these two bridges between 1999 and 2003 are $818,000, and average annual disbursements are $478,000. The disbursements have been primarily for operations at $446,000 average per year. The reserve for operations and construction has decreased from $9,381,000 in 2000 to $4,492,000 in 2003. (*Note:* Detailed statistics are not available for 2001).

Explanation of Local Expenditures: *Removal of Vehicles:* This provision will add to the workload of police entities involved: city and town police departments and county sheriff's departments. Specific expenditures related to this activity are indeterminable.

Explanation of Local Revenues: *Reckless Driving A Misdemeanor:* 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. (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: Department of Transportation; Indiana Finance Authority.

Local Agencies Affected: Trial courts; Local law enforcement agencies.

Information Sources: Chris Kiefer, INDOT, 317-233-3601; State Auditor, *Revenue Trial Balance, June 30, 2005; BMV Citation Report*; U.S. Department of Transportation, Federal Highway Administration, *Highway Statistics*.

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