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**FISCAL IMPACT STATEMENT**

**LS 7291**

**BILL NUMBER:** HB 1237

**NOTE PREPARED:** Feb 8, 2007

**BILL AMENDED:**

**SUBJECT:** Motor Vehicle Restraint Systems.

**FIRST AUTHOR:** Rep. Welch

**FIRST SPONSOR:**

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

**FUNDS AFFECTED:**  GENERAL  
 DEDICATED  
 FEDERAL

**IMPACT:** State

**Summary of Legislation:** The bill requires occupants of motor vehicles to wear safety belts, with certain exceptions.

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** (Revised) The bill has two potential impacts: (1) increased infractions revenue from additional safety belt violations and (2) federal funds associated with implementation of statutes which could enable the state to demonstrate compliance with federal program requirements.

*Safety Belt Violations:* To the extent that pickup truck drivers and passengers would be subject to safety belt requirements, the number of violations could increase. Based on CY 2004 registrations, approximately 1.4 million additional vehicles (an approximate 37% increase) would be subject to the seat belt law, a violation of which is a Class D infraction. The maximum penalty for a Class D infraction is a \$25 fine which is deposited into the state General Fund. In CY 2005, there were 92,033 guilty violations for not wearing a seat belt. Although the number of additional citations and fines will depend on compliance and enforcement, potential new revenue is estimated to be approximately \$854,000.

*Data and Analysis:* For CY 2004, 1.403 million trucks with a gross weight of not more than 11,000 pounds and 3.78 million passenger cars were registered with the Bureau of Motor Vehicles. The estimated seat belt violations for CY 2004 are provided in the following table.

<b>CY 2004</b>	<b>Registered Vehicles</b>	<b>Seat Belt Violations</b>
Passenger Cars	3,781,028	92,033
Trucks	1,403,256	34,156*
* Estimated figure based on proportion of truck registrations to registered passenger cars in CY 2004		

Although the number of additional citations and fines will depend on compliance and enforcement, the number of vehicles subject to seat belt use, based on vehicle registrations, could increase by approximately 34,000. If additional court cases occur and infraction judgments are collected, revenue to the state General Fund may increase. If violators are fined the maximum judgment for a Class D infraction of \$25, new revenue would be approximately \$854,000.

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 also assessed.

*Federal Funds:* Section 406 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) allows for one-time New Primary Law State grants with the maximum potential grant for Indiana of \$15.7 M. To receive this grant, a state must enact a law enforcing a conforming primary safety belt use law for all passenger motor vehicles. A conforming primary safety belt use law allows law enforcement officials to stop a passenger motor vehicle and issue a citation for not wearing a safety belt without probable cause that another violation has been committed.

The grants may be used for any safety purpose, including behavioral and infrastructure safety programs or for any project that corrects or improves a hazardous roadway location or feature or proactively addresses highway safety problems. SAFETEA-LU stipulates that a state must expend at least \$1 M of the grants received for safety activities.

In a preliminary review of this bill, the National Highway Traffic Safety Administration (NHTSA) indicates that if the bill were to be enacted as drafted, it would not enable the state to comply with Section 406 criteria because the medical exemption for safety belt usage does not require a written documentation from a physician. However, the bill as drafted, according to the review, would address applying a primary safety belt law to a passenger motor vehicle including passenger cars, pickup trucks, vans, minivans, and sports utility vehicles with a weight rating of less than 10,000 pounds. Another issue identified is that there are conflicting versions of IC 9-19-10-3; one prohibiting primary safety belt enforcement and one allowing it. NHTSA recognizes that the state Supreme Court confirms the authority for primary enforcement.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Indiana Department of Transportation.

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

**Information Sources:** U.S. Department of Transportation, National Highway Traffic Safety Administration memorandum, January 22, 2007; Don McNamara, NHTSA, 708-503-8892.

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