

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4813-02  
Bill No.: SCS for SB 589  
Subject: Motor Vehicles; Transportation; Roads and Highways; Political Subdivisions  
Type: Original  
Date: February 3, 2012

Bill Summary: This proposal requires political subdivisions using automated traffic enforcement systems to distribute such fines to local school districts for transportation purposes.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
General Revenue		Unknown	Unknown
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>Unknown</b>	<b>Unknown</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
State School Moneys Fund	\$0	\$0*	\$0*
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0*</b>	<b>\$0*</b>

\*Offsetting Savings and Losses for FY 14 and FY 15

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Local Government</b>	<b>\$0</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **City of Kansas City (KC)** state this proposal would result in a \$4 million loss in red light camera fine revenue annually to the city. KC states that out of that \$4 million, the vendor is paid approximately \$1.566 million; therefore, the direct loss to the city is estimated to be \$2.434 million annually. If KC is no longer able to utilize the fine revenue to operate the program, the costs (vendor, KC Police Department enforcement, and Municipal Court) would still need to be paid, resulting in a loss to the city.

Officials from the **City of St Louis** state this proposal would have a negative fiscal impact. Should this legislation pass, the City would lose approximately \$3.4 million in revenue annually. Red light cameras have been utilized in the City to monitor intersections with high amounts of traffic and susceptibility toward traffic accidents. The cost of monitoring is paid through a portion of the fines imposed on those who violate traffic ordinances. Diverting the fine revenue to the local schools would have a significant negative impact, resulting in the loss of approximately \$3.4 million in net revenue annually, in addition to losing the source of funding for this public safety monitoring system.

Officials from the **Office of the State Courts Administrator, Department of Public Safety - Missouri Highway Patrol, Department of Transportation, Department of Revenue and Springfield Police Department** each assume the current proposal would not fiscally impact their respective agencies.

Officials from the **Department of Elementary and Secondary (DESE)** state it would appear that this proposed legislation would not have a negative fiscal impact on the state. If anything, it could cause a reduction due to increased fine money in a school district which would be a larger deduction from the foundation formula. Since the proposal says the money will not be distributed as state aid as specified in §163.031, this may mean that the fines deduction does not increase as a result of fines from red light cameras. School districts could see an indeterminate increase in fine revenue as the formula is phased in.

DESE also assumes this fine money is also distributed differently from other fine revenue in that it is given to the district where the fine occurs rather than being distributed based on September membership to all districts within the county. This will mean that not all districts will share in the red light camera fine proceeds as they do with other fines.

ASSUMPTION (continued)

**Oversight** assumes that the cities that currently have red light cameras will lose an unknown amount of fine revenue currently collected and the school district within that city will gain the fine revenue. Oversight assumes this gain in fine revenue to the school districts will result in a deduction in the state’s distribution to school districts the following year.

Officials from the **City of St Joseph, City of Springfield, Kansas City Police Department, St Joseph Police Department, St Louis Metropolitan Police Department, Kansas City Public School District, St Louis Public School District, School District of Springfield R-12 and St Joseph School District** did not respond to Oversight’s request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
<b>GENERAL REVENUE</b>			
<u>Savings</u> - Increase in fine revenues to local school districts from red light cameras resulting in a deduction in the calculation for school funding the following year.	<u>\$0</u>	<u>Unknown</u>	<u>Unknown</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>\$0</u></b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>
<b>STATE SCHOOL MONEYS FUND</b>			
<u>Savings</u> - Less money distributed to local school districts as a result of an increased deduction from fine revenue	\$0	Unknown	Unknown
<u>Loss</u> - Less State Aid funding transferred in from General Revenue	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT TO THE STATE SCHOOL MONEYS FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 mo.)	FY 2014	FY 2015
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Income - Local School Districts</u> - Fine revenue from automated photo red light enforcement systems now to be dedicated to local schools	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
<u>Loss - Local School Districts</u> - Decreased funding distribution from the state the following year after increased fine revenue	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<u>Loss - Cities</u> - Fine revenue from automated photo red light enforcement systems now to be dedicated to local schools	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS</b>	<b><u>\$0</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

Under the terms of this proposal, fines imposed for violations detected through the use of automatic traffic enforcement systems shall go to the local school districts where the violation occurred to be used for transportation purposes. The fines distributed to the school districts shall not be distributed through the school funding formula. Under the act, automated traffic enforcement systems also include automated speed enforcement systems.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

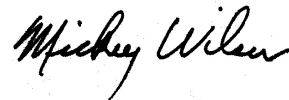
Department of Elementary and Secondary Education  
Office of the State Courts Administrator  
Department of Public Safety  
    Missouri State Highway Patrol  
Department of Revenue  
Department of Transportation  
Springfield Police Department  
City of Kansas City  
City of St Louis

NOT RESPONDING

**City of St Joseph**  
**City of Springfield**  
**Kansas City Police Department**  
**School District of Springfield R-12**  
**St Joseph Police Department**  
**St Louis Metropolitan Police Department**  
**Kansas City Public School District**  
**St Louis Public School District**  
**St Joseph School District**

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Mickey Wilson, CPA  
Director  
February 3, 2012