

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 910 - SB 824

March 1, 2015

SUMMARY OF BILL: Authorizes local education agencies (LEAs) to install cameras on the exterior of school buses or enter into a contract with a private vendor to provide and install such cameras, for the purpose of recording violations of vehicles that fail to stop upon approaching a school bus. Establishes a fine of \$50 for each violation. Establishes the procedures and regulations that participating LEAs and law enforcement shall follow relative to the transfer of recordings and the issuance of fines. Any fine revenue derived from such violations shall be paid to the applicable LEA. Requires 70 percent of fine revenue to be used by LEAs to defray the camera's operational or other costs, and authorizes 30 percent of the fine revenue to be used by the LEA without designations for a specific purpose. Defines "camera", "local education agency", and "school bus" for the purposes of the bill.

ESTIMATED FISCAL IMPACT:

Increase Local Revenue – Exceeds \$14,300/Recurring/Permissive

Increase Local Expenditures – Exceeds \$71,200/One-Time/Permissive

Other Fiscal Impact – There will be additional permissive increases in local expenditures for multiple items, including but not limited to, the installation of technology infrastructure for LEAs and law enforcement, for storage and transfer of violation data from cameras to law enforcement, for future infrastructure upgrades or repairs, costs related to the issuance of fines and subsequent collection, and for adding or replacing cameras. Any such permissive local expenditures cannot be determined and are based on multiple unknown factors.

Assumptions:

- The Department of Education confirms that there are an estimated 8,860 buses in service.
- Based on information from the Department of Education's transportation consultants and outside sources, the one-time increase in local expenditures to install a stop violation camera is estimated to be \$800 per bus.
- LEAs may choose to pilot an installation program on a portion of their buses and then expand in future fiscal years.
- The total number of buses that will have cameras installed is unknown; however, it is estimated that there will be sufficient LEA participation or pilot programs for a

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minimum of 1 percent of the buses currently in service, or 89 buses, to have cameras installed.

- The one-time permissive increase in local expenditures for camera installation is estimated to exceed \$71,200 (\$800 x 89 buses).
- Based on information received from the Department of Education's transportation consultants, there will be a minimum of four new violations per bus annually; thus a minimum number of annual violations estimated to be 356 (89 x 4).
- An estimated 80 percent of violations, or 285, will result in a collection; 20 percent, or 71, will not be collected due to indigence.
- The recurring and permissive increase in local revenue is estimated to exceed \$14,250 (\$50 x 285).
- Based on information received from the Department of Revenue, camera purchases will be tax exempt pursuant to Tenn. Code Ann. § 67-6-329(a)(4).
- Additional one-time and recurring permissive increases in local expenditures are based on multiple unknown factors, including but not limited to, the number of buses that will have cameras installed; the one-time and recurring technology or other infrastructure needs of each LEA and law enforcement agency to effectuate a moving violation program; the number of violations that will be issued each year; and the failure rate of cameras that will need replacing.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Jeffrey L. Spalding, Executive Director

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