

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 173 - HB 164

March 25, 2019

SUMMARY OF ORIGINAL BILL: Prohibits a person 18 years or older from operating a motor vehicle and talking on a hand-held mobile telephone on any road or highway while the vehicle is in motion. Prohibits a person under 18 years of age from operating a motor vehicle and talking on a mobile telephone that is equipped with a hands-free device on any road or highway while the vehicle is in motion.

Establishes that violation of such is a Class C misdemeanor, punishable by fine only, not to exceed \$100, except if the violation results in an accident, it shall not exceed \$200. Establishes that such a violation is subject to the imposition of court costs not to exceed \$50. Establishes the traffic citation as a moving violation and allows points to be added to a driver record. Establishes an effective date of January 1, 2020.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue –

Exceeds \$262,400/FY19-20
Exceeds \$524,700/FY20-21
Up to \$262,400/FY21-22 and Subsequent Years

Increase Local Revenue –

Exceeds \$31,100/FY19-20
Exceeds \$62,100/FY20-21
Up to \$31,100/FY21-22 and Subsequent Years

SUMMARY OF AMENDMENT (006464): Deletes all language after the enacting clause. Prohibits physically holding or supporting, with any part of a person's body, a wireless telecommunications device or stand-alone electronic device while operating a motor vehicle unless the vehicle is lawfully parked. Authorizes use of an earpiece, headphone device, wrist device or mounting device. Exempts employers or contractors of utility services providers, public safety officers, law enforcement, and emergency personnel acting within the scope of their employment and persons who are lawfully parked in their motor vehicles from the above prohibitions.

Establishes that violation of such is a Class C misdemeanor, punishable by fine only, not to exceed \$50. Establishes that if the violation is the person's third or subsequent offense or the violation results in an accident the fine is \$100. Establishes that if such a violation occurs in a

work zone when workers are present or in a marked school zone when warning flashers are on, the fine is \$200. Establishes court costs not exceed \$10.

Requires the Department of Transportation (TDOT) to utilize permanent electronic overhead informational displays to provide periodic messages to inform public about the law.

Requires the Department of Safety (DOS) to include distracted driving as part of the instructional information used in driver education training.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Revenue –

Exceeds \$269,200/FY19-20

Up to \$134,600/FY20-21 and Subsequent Years

Increase Local Revenue –

Exceeds \$32,400/FY19-20

Up to \$16,200/FY20-21 and Subsequent Years

Assumptions for the bill as amended:

- It can be reasonably estimated that all law enforcement agencies that issue citations for the proposed offense will charge the maximum allowed fine of \$50 for first and second violations, and \$100 for third and subsequent violations and those resulting in an accident, and \$200 for violations that occur in a work or school zone.
- In 2016, there were 1,723 texting while driving citations issued. It is estimated that a similar number of citations will be issued under this legislation.
- Pursuant to Tenn. Code Ann. § 55-8-207, it is an offense, punishable by a fine not to exceed \$50 and \$10 court costs to operate a motor vehicle in any marked school zone in this state, when a warning flasher or flashers are in operation, and talking on a mobile telephone that is equipped with a hands-free device while the vehicle is in motion.
- It is reasonably projected that approximately five percent of the estimated 1,723 citations issued, or 86 total, will be issued for violations occurring within a school zone, resulting in an increase of \$150 per citation under the provisions of this legislation (\$200 - \$50).
- According to DOS's *Tennessee Distracted Driver Crashes by Year & County Report*, there was an average of 24,180 traffic crashes caused by distracted driving between 2015 and 2017 $[(22,979 + 24,774 + 24,786) / 3]$.
- The exact cause of distraction is not available, but it can be reasonably estimated that at least 10 percent, or 2,418, were caused by talking on a hand-held mobile telephone.
- Therefore, it is estimated that at least 1,637 simple citations (1,723 – 86), 86 school zone citations, and 2,418 accident citations will be issued in the first year after implementation, totaling 4,141 citations.
- Twenty percent of fines are assumed to go unpaid due to indigence.

- In FY19-20, the increase in state revenue from citations is estimated to exceed \$269,240 $\{[(1,637 \times \$50) + (2,418 \times \$100) + (86 \times \$150)] \times 80\% \}$.
- Under the provisions of this legislation, a violation is subject to the imposition of court costs up to \$10. It can be reasonably estimated that the court cost imposed will be \$10.
- It is estimated the 86 citations issued for violations resulting in an accident were previously paying the \$10 court costs under current law.
- In FY19-20, the total increase in local revenue is estimated to exceed \$32,440 $\{[(4,141 - 86) \times \$10] \times 80\% \}$.
- California was one of the first states to pass similar legislation. According to the California Office of Traffic Safety's *Observational Study of Handheld Cellphone and Texting Use Among California Drivers 2017 Summary Report*, hand-held cellphone usage fell from 7.6 percent to 3.6 percent in one year following the passage of the law.
- Given the above information and the increasing access to hands-free technology, it is reasonably estimated there will be an approximant 50 percent reduction in the use of and citations issued for talking on a hand-held mobile telephone under this legislation by 2021.
- The recurring increase in state revenue in FY20-21 and subsequent years is estimated to be up to \$134,620 $(\$269,240 \times 50\%)$ and the recurring increase in local revenue in FY20-21 and subsequent years is estimated to be up to \$16,220 $(\$32,440 \times 50\%)$.
- Any increase to the workload of the courts or law enforcement officers, as a result of this legislation, is estimated to be handled with existing resources and personnel.
- There will not be a significant fiscal impact on TDOT resulting from utilization of electronic overhead signs.
- Requiring DOS to include distracted driving as part of the instructional information used in driver education training will not result in a significant fiscal impact to state expenditures.

CERTIFICATION:

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



Krista Lee Carsner, Executive Director

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