

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Legislative Fiscal Note

BILL NUMBER: Senate Bill 55 (Second Edition)
SHORT TITLE: School Bus Cameras/Civil Penalties.
SPONSOR(S): Senators McInnis and Alexander

FISCAL IMPACT					
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Estimate Available		
State Impact	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
General Fund Revenues:	Impact indeterminate				
General Fund Expenditures:	Impact indeterminate				
Highway Fund Revenues:					
Highway Fund Expenditures:	\$114,660	\$9,513	\$9,513	\$9,513	\$9,513
State Positions:					
NET STATE IMPACT	(\$114,660)	(\$9,513)	(\$9,513)	(\$9,513)	(\$9,513)
Local Impact					
Revenues:	Impact indeterminate				
Expenditures:	Impact indeterminate				
<p>PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Administrative Office of the Courts; Department of Public Instruction Department of Transportation, Information Technology Section.</p> <p>EFFECTIVE DATE: When the act becomes law except for sec. 3 which becomes effective 1 year after the act becomes law.</p> <p>TECHNICAL CONSIDERATIONS: None</p>					

BILL SUMMARY:

Section 1 of the bill would enact a new G.S. 153A-246, authorizing counties to adopt an ordinance for the civil enforcement of a violation of G.S. 20-217 (passing stopped school bus that is picking up or dropping off students) utilizing automated school bus safety cameras. The ordinance would not apply to any violation which results in injury or death. Violations of these ordinances are non-criminal violations for which a civil penalty of \$400 is assessed for the first offense without assignment of points to a violator’s driving record or insurance. The civil penalty increases to \$750 for the second offense and then to \$1000 for any subsequent offense. The registered owner of the vehicle involved in the violation is responsible, unless he or she demonstrates to the county within 30 days after notification that the vehicle was not in the owner’s control, or notification is received after 90 days from the date of the violation. A \$100 late penalty applies for failure to pay the civil penalty.

Section 1 also outlines the requirements for the ordinance to include among other things following provisions:

- The citation must include a statement or electronically generated affirmation of a law enforcement officer, employed by a law enforcement agency that has contractually agreed to provide this service, that the recorded images showed a violation of the ordinance by the vehicle;
- A law enforcement agency must provide the county citation processing office written notice containing the name and address of each person criminally charged by that agency with violating G.S. 20-217 so that the county does not impose a civil penalty against a person arising out of the same facts as those for which that person was criminally charged. The county must also fully refund any civil penalty received from a person who is criminally charged with violating G.S. 20-217, together with interest at the legal rate.
- The county will notify the Division of Motor Vehicles of any registered owner of a motor vehicle who receives a citation and fails to pay it when due and the Division will refuse to register that owner's motor vehicle in accordance with G.S. 20-54(11) (as amended in this bill).

Section 1 further requires automated school bus safety cameras to be identified with conspicuous warning signs on the bus complying with a statewide standard adopted by the State Board of Education, and would state that the General Assembly encourages criminal prosecution for violations of G.S. 20-217 whenever the photos or videos recorded by an automated school bus safety camera provide evidence sufficient to support such prosecution.

Section 2 creates new G.S. 115C-242.1, Installation and operation of automated school bus safety camera, to define and authorize the procurement and installation of automated school bus safety cameras by the local board of education or from a private vendor, including through a statewide or regional contract for service coordinated by the Department of Public Instruction. Contracts with private vendors shall not exceed three years with the option for one additional three-year term. Additionally, interlocal agreements are authorized for the purposes of cost-sharing and reimbursement among local jurisdictions.

Section 2 also requires photographs and videos recorded by an automated school bus safety camera capturing violations of G.S. 20-217 to be provided to investigating law enforcement agencies for use as evidence in prosecuting such violations.

Section 3 amends G.S. 20-54 to direct the Division of Motor Vehicle to refuse vehicle registration if notified by a county that the owner of the vehicle has failed to pay the civil penalty imposed under the county ordinance.

Section 4 amends G.S. 20-217 to provide that failure to produce a photograph or video recorded by an automated school bus safety camera does not preclude criminal prosecution under G.S. 20-217 and to make other conforming changes.

Section 5 requires a county that adopts a civil ordinance authorized by Section 1 to maintain records of all violations of the ordinance for which a civil penalty is assessed and, upon request, provide at least 5 years of those records to the NC Child Fatality Task Force and the NC General Assembly.

Section 6 requires the State Board of Education to develop a model request for proposals and a model contract that may be used by local boards in letting contracts for the installation and operation of the automated school bus safety cameras, and would require the State Board and the Department of Public Instruction to provide technical assistance to a local board regarding this process if requested to do so.

Section 7 provides that Section 3 of the act becomes effective one year after the act becomes law, and would apply to the registration of motor vehicles whose owners' failure to pay the civil penalty is reported to the DMV on or after the effective date of the act. The remainder of this act is effective when it becomes law. The contract requirements in G.S. 115C-242.1(b)(2), as enacted by Section 2 of this act, shall not apply to a local board of education that, prior to the effective date, entered into a contract with a private vendor to install and operate automated school bus safety cameras.

ASSUMPTIONS AND METHODOLOGY:

Civil Penalties and Local Education Agencies

As the proposed authorization is permissive, Fiscal Research cannot project the adoption rate by counties or corresponding revenue yield. The Administrative Office of the Courts (AOC) reports that 1,702 defendants were charged during FY 2015 with the criminal offense of passing a stopped school bus with no accident or injury. A one-day count by bus drivers of vehicles passing a stopped school bus in 2016 revealed a total of 3,194 potential stop arm violations. While these two data points suggest potential baseline civil penalty assessments of \$680,800 (1,702 offenses x \$400 civil penalty) with a maximum of \$1,277,600 (3,194 potential violations x \$400), there is no presumption of geographic distribution or county adoption of the authorized enforcement mechanism.

The clear proceeds of most civil penalties, fines, and forfeitures collected by State agencies are distributed to local education agencies (LEAs) via the State Public School Fund (SPSF) and the State School Technology Fund (SSTF). However, penalties and moneys collected from driving infractions are not examples of civil penalties, forfeitures, or fines collected by the State, and therefore are not distributed through the SPSF or SSTF. These moneys instead stay within the county where the infraction occurs, and are used locally to fund public schools in that county.

The \$400 penalty imposed by Section 1 of Senate Bill 55 would be conveyed to county governments or local boards of education without passing through the State budget. As such, no budgetary impact is estimated relative to State funding for public schools. In FY 2014-15, over \$40.5 million in fines and forfeitures were collected and retained by local governmental units to support public school requirements.

Department of Public Instruction Contract Requirements

Section 6 requires the State Board of Education (SBE) to develop a model contract for use by the local boards in letting and awarding contracts for the installation and operation of the automated school bus safety cameras. The SBE and the Department of Public Instruction (DPI) must provide technical assistance to a local board if requested to do so. DPI's Transportation Services section has significant experience in contract development, most notably for the Statewide purchase of

yellow school buses to local school districts. No cost is estimated for the model contract development requirement.

Judicial Branch

The effect of this proposed bill on the court system is uncertain. The civil penalties in Section 1 may divert criminal cases from the courts, but Section 2 directs that evidence collected from school bus cameras be provided to law enforcement agencies as evidence in criminal proceedings. However, Fiscal Research cannot determine how many law enforcement agencies would choose to let violators be pursued through the civil mechanism versus the criminal statute.

If criminal cases are diverted from the courts, there may be savings associated with fewer cases being heard and prosecuted. The Administrative Office of the Courts (AOC) estimates the cost to the court to process a Class 1 misdemeanor is \$206. However, fewer criminal charges may also lead to a corresponding loss in the collection of court costs, since defendants would not be required to pay the standard criminal court costs. The standard court costs for a Class 1 misdemeanor are \$173, of which \$127.05 is General Fund revenue. Proposed Section 1 may increase civil filings if the defendant fails to pay the civil fine, but Fiscal Research cannot estimate the number of cases at this time.

Department of Transportation

The Department of Transportation, Information Technology Section (DOT-IT) estimates that modification of the State Titling and Registration System (STARS), International Registration Plan (IRP), and Web Service platforms to accommodate the new titling and registration stops will require 1,274 hours of initial development labor at a rate of \$90 per hour. In addition to the \$114,660 development cost, projected recurring operational support for these modifications is \$9,513 (annually). These estimates assume that the adopting county will be responsible for placing the block in STARS, collecting any fees, and removing the block from STARS. Additionally, these estimates assume that DMV's only responsibilities will be refusing registration, titling, or transfer of registration and providing contact information for the citing county. The fiscal impact to DMV personnel cannot be estimated at this time, as there is no information available on the number of customers that will be refused registration, titling, or transfer of registration.

SOURCES OF DATA: Administrative Office of the Courts, Department of Public Instruction

TECHNICAL CONSIDERATIONS: None

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Signed Copy Located in the NCGA Principal Clerk's Offices