



[SF 2337](#) – Hands-Free Driving and Automated Traffic Cameras (LSB5293SV)
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 Fiscal Note Version – New

[Senate File 2337](#) expands the texting while driving prohibitions and prohibits the use of automated traffic enforcement systems.

Division I — Use of Electronic Devices While Driving

Description

Senate File 2337 prohibits any use of an electronic device while driving. The Bill defines “electronic device” as a device that is powered by electricity, including by a battery, that is capable of composing, sending, receiving, or reading messages and storing, retrieving, or displaying videos, movies, or images. Use of an electronic device includes but is not limited to holding, viewing, or manipulating an electronic device.

Single Citation — SF 2337	
Penalty	\$ 100.00
Surcharge (15.0%)	15.00
Court Cost	55.00
Total	\$ 170.00

The Bill increases the scheduled fine for this violation from \$45 to \$100. Under the Bill, use of an electronic device would be a moving violation. A moving violation can be considered for purposes of administrative suspension of a driver’s license or to establish habitual offender status.

The Bill allows use of an electronic device under the following circumstances:

- Use if the vehicle is at a complete stop off the roadway or as far away from the center of the roadway if the vehicle cannot be entirely removed from the traveled portion of the roadway.
- Use in voice-activated or hands-free mode.
- Use by members of a public safety agency performing official duties.
- Use by health care professionals in the course of emergency situations.
- Use to receive safety-related information.
- Use to report an emergency situation, including maintaining communication with emergency personnel during the emergency situation, or public transit personnel responding to a transit-specific situation.
- Use by persons operating an implement of husbandry.
- Use by certain radio operators.
- Use by members of a public transit system performing official duties in a vehicle that is not in motion.
- Use by a utility maintenance employee or contractor using an electronic device while in a utility maintenance vehicle for the purpose of providing utility services.
- Use by a transportation network company driver engaged in a prearranged ride, provided the vehicle is not in motion.
- Use by a person to access or use a fleet management system.

A peace officer is required to issue a warning memorandum in lieu of a citation for violations that occur from July 1, 2023, the effective date of **Division I**, until January 1, 2024.

Background

Current law prohibits the use of hand-held electronic communication devices to write, send, or view electronic messages while driving a motor vehicle. The fine for this violation is currently \$45. The violation is not considered a moving violation. Persons under the age of 18 are currently prohibited from using an electronic communication device while driving a motor vehicle (Iowa Code section [321.178](#)).

Single Citation — Current Law		
Penalty	\$	45.00
Surcharge (15.0%)		6.75
Court Cost		55.00
Total	\$	106.75

In FY 2023, convictions under Iowa Code section [321.276](#) for using an electronic communication device while driving a motor vehicle totaled 1,364.

Under Iowa Code section [602.8106](#)(4)(b), scheduled fine revenue for a State law violation is distributed as follows: 91.0% to the State and 9.0% to the general fund of the county in which the violation occurred. For the State share of citations, 1.3% is distributed to the Emergency Medical Services (EMS) Fund and 98.7% is distributed to the State General Fund.

In addition to the scheduled fine, a Crime Services Surcharge, equal to 15.0% of the fine, and a \$55 fee for court costs are also imposed. The Crime Services Surcharge is remitted to the State Court Administrator and is distributed as follows: 46.0% to the Juvenile Detention Home Fund; 32.0% to the Victim Compensation Fund; 20.0% to the Criminalistics Laboratory Fund; and 2.0% to the Drug Abuse Resistance Education (DARE) Fund. The fee assessed for court costs is deposited into the State General Fund.

According to the National Conference of State Legislatures (NCSL) [State Cellphone Use While Driving Laws](#) dashboard, 29 states currently prohibit all drivers from using hand-held cellphones while driving.

Assumptions

- The number of Iowa citations under current law for FY 2024 is estimated to total 1,364, which is similar to the average number of citations over the previous two years.
- The State of Indiana was utilized as a benchmark when the state enacted a law for hands-free devices beginning in July 2020. Between 2021 and 2022, the state averaged 5,966 violations per year, excluding formal warnings. Indiana has 4.5 million drivers. Indiana’s citation rate (excluding warnings) was 131.6 per 100,000 licensed drivers.
- It is estimated that there will be an increase in annual convictions under SF 2337 for using an electronic device while driving. Iowa has 2.3 million drivers. It is assumed that the number of annual citations issued under SF 2337 will total 2,986, which is similar to the rate of citations issued annually in Indiana from 2021 to 2022. However, the estimated number of citations issued during FY 2025 will total 1,493 as a result of the requirement in SF 2337 that warning memorandums be issued in lieu of citations in the first half of FY 2025.
- The collection rate for a scheduled violation is estimated at 59.2%.

Fiscal Impact

Division I of Senate File 2337 is estimated to increase State General Fund revenue by \$51,000 in FY 2025 and increase revenue by \$178,000 per year beginning in FY 2026 compared to estimated FY 2024. Revenue may increase in future years if fewer warnings are given in lieu of tickets. The fiscal impact on other funding sources and the counties is shown in **Figure 1**.

Figure 1 — Estimated Revenue, Current Law vs SF 2337

	Current Law Est. FY 2024	FY 2025	FY 2025 vs FY 2024	FY 2026	FY 2026 vs FY 2024
General Fund					
Penalty Revenue	\$ 32,637	\$ 79,385	\$ 46,749	\$ 158,771	\$ 126,134
Court Fee	44,412	48,612	4,200	97,224	52,812
Subtotal	\$ 77,049	\$ 127,997	\$ 50,949	\$ 255,995	\$ 178,946
Surcharge					
Juvenile Detention	\$ 2,507	\$ 6,099	\$ 3,591	\$ 12,197	\$ 9,690
Victim Compensation	1,744	4,243	2,498	8,485	6,741
Crime Lab	1,090	2,652	1,561	5,303	4,213
DARE	109	265	156	530	421
Subtotal	\$ 5,451	\$ 13,258	\$ 7,807	\$ 26,516	\$ 21,065
Other					
Funds	\$ 3,270	\$ 7,955	\$ 4,684	\$ 15,909	\$ 12,639
EMS Fund	430	1,046	616	2,091	1,661
Total	\$ 86,199	\$ 150,256	\$ 64,056	\$ 300,511	\$ 214,312

Division II — Automatic Traffic Enforcement Prohibited

Description

[Senate File 2337](#) prohibits the use of automatic or remote systems for traffic law enforcement by state or local authorities on and after July 1, 2025. However, any citation issued or mailed pursuant to such an ordinance prior to July 1, 2025, is not invalidated and must be processed according to the provisions of law under which the citation was authorized.

The Bill places information-sharing restrictions on the Department of Transportation (DOT) and the Department of Public Safety (DPS) as it pertains to information collection by automatic traffic enforcement systems (ATEs).

“Automated or remote system for traffic law enforcement” is defined in the Bill as a camera or other optical device designed to work in conjunction with an official traffic control signal or speed-measuring device to identify motor vehicles operating in violation of traffic laws, the use of which results in the issuance of citations sent through the mail or by electronic means.

Background

As of January 2024, the Legislative Services Agency (LSA) is aware of 25 cities and towns in Iowa that operate an ATE system or systems, including Sioux City, Cedar Rapids, Davenport, Muscatine, Fort Dodge, Council Bluffs, Des Moines, Waterloo, Fayette, West Union, LeClaire, Strawberry Point, Hazleton, Hudson, Chester, Buffalo, Bellevue, Miles, Independence, Oelwein, Prairie City, Webster City, Marshalltown, Marion, and Postville. Data is not available at this time regarding the use of ATE systems in additional cities or towns. As of January 15, 2024, the LSA obtained data from Cedar Rapids, Council Bluffs, Davenport, Des Moines, LeClaire, Muscatine,

Waterloo, Buffalo, Fayette, and Marshalltown regarding their current ATE systems. Sioux City recently changed its ATE system provider and does not have accurate data for a full year.

Figure 2 provides data obtained by the LSA related to the number of ATE devices, base cost per violation, vendors’ share of revenues, and local authorities’ share of revenues for the last full fiscal year.

Figure 2 — Data Provided for Fiscal Year 2023

Local Authority	Number Of Mobile ATEs	Total Number of Operating ATEs	Number Of Violations Issued	Number of Violations Collected	Base Fine Per Violation	Vender Revenue	Local Authority Revenue
Buffalo	1	3	10,006	9,359	\$ 75	\$ 145,125	\$ 362,813
Cedar Rapids	2	19	169,696	94,037	75	1,834,563	7,207,857
Coucil Bluffs	0	15	20,299	12,557	100	489,416	849,453
Davenport	4	18	43,452	20,314	65	440,601	1,420,540
Des Moines	3	13	125,768	84,991	65	1,929,663	3,594,696
Fayette	0	2	5,315	4,074	100	138,878	324,049
LeClaire	1	5	62,229	50,533	50	1,664,130	1,703,438
Marshalltown	0	3	5,966	2,952	100	100,000	195,050
Muscatine	1	9	11,577	8,516	75	215,514	510,840
Waterloo	2	25	53,054	26,117	36	942,296	1,166,746

Lowest violation amount. Actual violation may increase depending on miles over the legal speed limit.
Source: Local authorities

Assumptions

All existing ATE devices will cease operation on or before July 1, 2024. **Figure 3** provides the estimated loss of revenue to cities.

Fiscal Impact

The full fiscal impact of **Division II** cannot be estimated due to insufficient data as only 10 of the 25 local authorities that have speed cameras reported to the LSA. Senate File 2337 is estimated to decrease revenue to the 10 reporting local authorities by an estimated \$17.3 million per fiscal year. **Figure 3** includes information reported to the LSA for FY 2023.

Figure 3 — Estimated Annual Local Government Revenue Reduction Compared to FY 2023

Local Authority	Estimated Loss Of Revenue
Buffalo	\$ -362,813
Cedar Rapids	-7,207,857
Coucil Bluffs	-849,453
Davenport	-1,420,540
Des Moines	-3,594,696
Fayette	-324,049
LeClaire	-1,703,438
Marshalltown	-195,050
Muscatine	-510,840
Waterloo	-1,166,746

Note: This information only reflects 10 of 25 local authorities that have reported to the LSA.

Figure 4 — Local Uses for ATE System Revenue

Local Authority	Uses
Buffalo	Public safety expenses
Cedar Rapids	General Fund
Council Bluffs	General Fund
Davenport	General Fund
Des Moines	Des Moines Public Safety Radio System and Iowa Statewide Interoperable Communications System
Fayette	General Fund
LeClaire	General Fund
Marshalltown	General Fund
Muscatine	Police department for personnel costs
Waterloo	General Fund: Police department for equipment
Source: As reported by local authorities.	

Sources

Legislative Services Agency calculations
 Local authorities
 Department of Transportation
 Criminal and Juvenile Justice Planning, Department of Management
 National Conference of State Legislatures
 State of Indiana
 Federal Highway Administration

/s/ Jennifer Acton

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The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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