



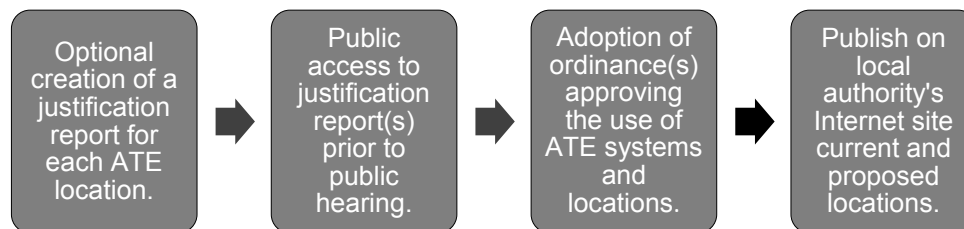
[HF 774](#) – Automated Traffic Law Enforcement Regulation (LSB2150HZ)
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Fiscal Note Version – New

Description

[House File 774](#) regulates the use of automated traffic law enforcement (ATE) systems. The Bill prohibits the Department of Transportation (DOT) from installing ATE systems and establishes guidelines for local authorities wishing to install ATE systems. It also divides revenues from ATE systems between local authorities and the General Fund. This includes a self-certification process as detailed below. This Bill would go into effect on July 1, 2019.

The Bill makes the following changes:

- Self-Certification Process – This process may include a justification report and would not apply to systems installed and operated before January 1, 2020.



Optional Justification Report includes:

- Data on existing conditions.
- Vehicle accident history.
- Traffic violations.
- Safety issues.
- Alternatives implemented.
- Discussions with other local authorities.
- Rationale for ATE device.

- Signage – Drivers must be advised between 500 and 1,000 feet ahead of the presence of an ATE system prior to passing through the location.
- Citations and Fines – An active peace officer must review and approve each citation. Citation penalties may not exceed those established in Iowa Code section [805.8A](#) for the same or a similar violation. Following the installation of an ATE system, a warning memorandum shall be issued for a 30-day period in lieu of a citation. Cities operating systems before January 1, 2020, may continue to issue citations.
- System Calibrations – Operation of an ATE system is contingent on successful internal calibrations at a rate recommended by the system’s manufacturer. At least once every three

months, a trained person shall calibrate the system. A trained person shall also calibrate a system after a change of location. The required calibrations shall be logged annually.

- Records and Reports – Requires the local authority to maintain records of traffic violations and traffic accidents for a year prior to the installation of an ATE system. At the end of each calendar year, local authorities must submit a report to the General Assembly. This does not apply to systems installed and operated before January 1, 2020.
- Systems on Primary Roads – Before operating and to continue operating an ATE system on the primary road system, local authorities must receive approval from the DOT. The Department has the discretion to remove or require modifications of ATE systems. Systems installed and operated before January 1, 2020, may continue as currently operated.
- Appeals – Local authorities are to implement an appeals process through an administrative process created by a local ordinance or a small claims appeal in a district court.
- Sanctions – The Department shall notify a local authority of any alleged violation. The alleged violation is subject to contested case proceedings pursuant to Iowa Code chapter [17A](#). A local authority operating an ATE device in violation of the provisions of the Bill is precluded from operating a similar ATE system for two years.
- Use of Revenue – Of the revenues collected, minus expenses, 40.0% shall be used for public safety in the local authority and 60.0% shall be transferred to the General Fund and appropriated to the Department of Public Safety.

Background

As of February 2019, eight cities operated 72 speeding and red light ATE systems. This does not include the cities of Ottumwa and Waterloo. Ottumwa ceased operating ATE systems in October 2018. The number of ATE systems in Waterloo is currently not available, and therefore Waterloo is not included in the totals on **Table 1**.

In January 2014, the DOT adopted an administrative rule that regulated the use of ATE systems on the primary road system. In March 2015, the DOT ordered nine traffic cameras on the primary road system to be removed. Of the nine ordered removed, seven remained in use pending rulings on several lawsuits filed by cities against the DOT. The ATE systems operating on secondary or city roads are not impacted by the DOT's existing administrative rule.

In April 2017, the Polk County District Court ruled that the DOT had the authority to regulate ATE systems on the primary road system. By May 2017, the cities of Cedar Rapids, Des Moines, and Muscatine ceased issuing violations from ATE systems on the primary road system. Automated traffic law enforcement systems operating on secondary or city roads were not impacted by the court ruling and are still operating per the local authorities' discretion.

In April 2018, the Iowa Supreme Court reversed the Polk County decision and ruled that the DOT did not have the authority to regulate ATE systems.

Pursuant to Iowa Code section [8A.504](#), the Department of Administrative Services (DAS) operates the Iowa Offset Program which can withhold certain State payments on behalf of local authorities to individuals and companies that do not pay their ATE violations. DAS charges \$7 per violation collected to offset the costs of administering the Program. Fees are deposited into the DAS general operating budget.

The cities of Council Bluffs, Davenport, Des Moines, Fort Dodge, Muscatine, and Windsor Heights participated in the Program in FY 2018. Cedar Rapids has a signed agreement with the Iowa Offset Program; however, as of February 2019, the city was not submitting any unpaid violations for collection. Waterloo began participation in the Iowa Offset Program in September 2018 (FY 2019).

Table 1 shows each city's current use of ATE revenue and which cities participate in the Iowa Offset Program. Ottumwa ceased operating ATE systems in October 2018.

Table 1

Local Uses of ATE Revenues		
<u>Authority</u>	<u>Uses</u>	<u>Offset Program</u>
Cedar Rapids	General Fund	Yes*
Council Bluffs	General Fund	Yes
Davenport	General Fund	Yes
Des Moines	Police Operating Expenses	Yes
Fort Dodge	Salary Expenses for Police Dept.	Yes
Muscatine	Police Dept.	Yes
Ottumwa	General Fund	No
Sioux City	Public Safety Projects	No
Waterloo	Property Tax Relief	Yes**
Windsor Heights	General Fund & Police Dept.	Yes

* Cedar Rapids is participating but not currently collecting (Feb. 2019).
 ** Waterloo joined program in September 2018.

Assumptions

- Cedar Rapids revenues for FY 2018 will be similar to their revenues in FY 2017.
- For estimating purposes, it is assumed that the revenue from ATE systems will be approximately \$10.8 million annually beginning in FY 2020.

Fiscal Impact

- It is unknown if there will be any reduction in the DAS's revenue due to the number of unpaid violations submitted to the Iowa Offset Program.
- **Table 2** shows the estimated violations and revenue collected from ATE systems for the most recently completed fiscal year.

Table 2

Estimated Violations and Revenues from ATE Devices*** (As of February 2019)							
Local Authority	Fiscal Year	Number of Operating ATEs	Number of Violations Issued	Number of Violations Collected	Base Fine per Violation*	Vendor Revenue	Local Authority Revenue**
Cedar Rapids	FY 2017	28	124,346	66,405	\$ 75	\$ 2,095,213	\$ 4,029,318
Council Bluffs	FY 2018	12	21,264	13,069	100	535,911	740,376
Davenport	FY 2018	14	38,126	22,762	65	833,894	645,642
Des Moines	FY 2018	9	30,545	22,105	65	624,582	812,290
Fort Dodge	FY 2018	2	2,473	2,615	75	78,450	121,475
Muscatine	FY 2018	2	10,398	8,161	75	220,347	500,746
Ottumwa	FY 2018	1	610	672	80	3,930	6,880
Sioux City	FY 2018	2	31,452	25,116	100	742,270	1,828,960
Windsor Heights	FY 2018	3	40,201	31,514	65	755,508	2,068,334
Totals		73	299,415	192,419		\$ 5,890,105	\$10,754,021

* Lowest violation amount. Actual violation amounts may increase depending on miles over the legal speed limit.
 ** Collected revenue may include fine moneys collected through the Iowa Offset Program for violations issued in prior years.
 *** Waterloo is not included in revenue totals.
 Source: Local authorities

- There is an unknown fiscal impact on the adoption of new ATE system locations. Additional regulations under [House File 774](#) may affect future ATE locations.
- The effect of revenue reduction to cities by compliance with Iowa Code section [805.8A](#) is unknown. For example, Sioux City has a \$100 fine for driving 11 to 15 miles over the legal speed limit. Under Iowa Code, the scheduled fine for that range is \$80. This does not include extra surcharges.
- There is no fiscal impact to the DOT. The Department would fund the self-certification process through Highway Division appropriations.
- [House File 774](#) would increase General Fund revenue by an estimated \$6.5 million annually, which would be appropriated to the Department of Public Safety. The Bill would reduce annual fine revenue collected by local governments by \$6.5 million.

Sources

Iowa Department of Transportation
 Local authorities
 LSA calculations
 Department of Administrative Services

/s/ Holly M. Lyons

April 17, 2019

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.