

SUBJECT: Reporting of traffic-fine revenue by cities under 5,000 population

COMMITTEE: Ways and Means — favorable, without amendment

VOTE: 7 ayes — Craddick, Finnell, Heflin, Holzheuser, Horn, Place, Romo
0 nays

4 absent — Wolens, T. Hunter, Marchant, Oliveira

WITNESSES: For — Barbara Robinson, Russell Johnson, Myrlinda Owen, Pete Vamvakus

Against — Cooper Wiese, mayor of Calvert; Tim Hammond, chief of police, Lavon; John H. Epps Jr.; Mary Candace Culpepper

BACKGROUND: State law limits the amount of traffic-fine revenue that municipalities under 5,000 population may retain. The current annual limit is an amount equal to 30 percent of the city's total revenue, excluding federal funds and bond proceeds, from the previous year. The remainder of the fine revenue goes to the state.

DIGEST: HB 840 would require municipalities under 5,000 population to report to the state treasurer how much traffic-fine revenue they retain in a year, if they elect to retain such revenue. The treasurer would be authorized to enforce the 30-percent limit. The municipalities would have to file with the treasurer a copy of the city financial statement and a report indicating the total amount collected from traffic fines. The report would be due by the 120th day after the end of the fiscal year.

SUPPORTERS SAY: HB 840, paired with HB 839, which is also on today's calendar, would curb the practice of small towns financing their local government by setting highway speed traps and fining unsuspecting motorists.

Giving the state treasurer authority to enforce the 30-percent cap on fine revenue would assure compliance and raise accountability by the cities. The limit was imposed to end the practice of small towns financing their city government by issuing an excessive number of traffic citations to persons traveling through the municipality.

While HB 840 deals with enforcement, HB 839 would close a loophole that certain municipalities have found to evade the 30-percent cap. They allow traffic violators to pay *court costs* equivalent to the traffic fine in return for having the city defer adjudication and thereby keeping the violation off the driver's record if no further violations occur within a given probationary period. Because payment of court costs is not technically a traffic fine, municipalities pocket the revenue with impunity.

OPPONENTS
SAY:

This legislation is unnecessary and would infringe on the rights of a municipality to enforce traffic laws. This extra reporting requirement is discriminatory in that it only applies to municipalities under 5,000 population. Small town public servants are already overworked and do not need another unfunded mandate from the state adding to their labor costs and paperwork.

NOTES:

Also on today's calendar is HB 839, relating to the remittance to the state monies in excess of the 30 percent cap collected as a result of traffic citations.