



OHIO LEGISLATIVE SERVICE COMMISSION

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Fiscal Note & Local Impact Statement

Bill: H.B. 209 of the 132nd G.A.

Status: As Introduced

Sponsor: Rep. Patton

Local Impact Statement Procedure Required: Yes

Subject: Prohibits traffic cameras by a local authority where their use issues a number of traffic law tickets that exceeds two times the population

State & Local Fiscal Highlights

- The bill has no direct fiscal effect on the state.
- As a result of limiting the number of tickets for speeding violations detected by a photo-monitoring device that can be issued annually to two times the population of the local authority, (1) the village of Brice (Franklin County) will lose up to an estimated \$785,000 to \$885,000 or more annually, and (2) the village of Linndale (Cuyahoga County) will lose up to an estimated \$447,000 or more annually.
- The village of Newburgh Heights (Cuyahoga County) will lose up to an estimated \$226,000 to \$271,000 or more annually as a result of limiting the number of tickets for speeding violations detected by a photo-monitoring device that can be issued annually to two times the population of the local authority.
- Presumably, in order to adjust to this revenue loss, the three villages noted in the preceding dot points will need to reduce expenditures, find a revenue replacement, or implement some mix of both expenditure reductions and replacement revenue.

Detailed Fiscal Analysis

The bill prohibits a local authority from issuing, in any year, a number of tickets for traffic law violations based on the use of traffic law photo-monitoring devices that exceeds two times the population of the local authority. The bill will have no impact on the expenditures or revenues of the state of Ohio, but will reduce the civil fine revenue generated for certain local governments using such devices.

Local authorities using traffic law photo-monitoring devices

According to the Insurance Institute for Highway Safety, there are 16 local authorities in Ohio that utilize photo-monitoring devices to enforce traffic signal light and/or speed limit violations. The following table lists: (1) each local authority, (2) county in which it is located, (3) population of local authority, (4) type of cameras used, (5) estimated number of tickets issued annually, (6) maximum number of tickets permitted under the bill, and (7) potential revenue loss under the bill.

Ohio Local Authorities Utilizing Traffic Law Photo-Monitoring Devices, May 2017*					
Local Authority (County)	Population**	Type of Cameras Used***	Tickets Issued Annually (Estimate)	Impact Under H.B. 209	
				Maximum Number of Tickets	Annual Revenue Loss
City of Toledo (Lucas)	279,789	R/S	44,284	559,578	None
City of Akron (Summit)	197,542	S	Not available but only used in school zones	395,084	None
City of Dayton (Montgomery)	140,599	R/S	Not available – new ordinance effective June 2017	281,198	Uncertain
City of Parma (Cuyahoga)	79,937	S	7,500	159,874	None
City of Youngstown (Mahoning)	64,628	S	11,670	129,256	None
City of Hamilton (Butler)	62,407	S	1,053	124,814	None
City of Trotwood (Montgomery)	24,096	S	4,992	48,192	None
Liberty Township (Trumbull)	21,579	S	2,034	43,158	None
City of East Cleveland (Cuyahoga)	17,344	R/S	Not available	34,688	Uncertain
Hubbard Township (Trumbull)	13,118	S	Program currently suspended	26,236	None
City of Girard (Trumbull)	9,599	S	Not available	19,198	Uncertain
Village of New Miami (Butler)	2,316	S	Not available	4,632	Uncertain
Village of Newburgh Heights (Cuyahoga)	2,096	S	7,200	4,192	Significant
Village of Rutland (Meigs)	381	S	Not available	762	Uncertain
Village of Linndale (Cuyahoga)	176	S	7,800	352	Significant
Village of Brice (Franklin)	121	S	12,775-14,600	242	Significant

*Source: Insurance Institute of Highway Safety

**Reflects the United States Census Bureau estimate for July 1, 2015

***R = red light camera; S = speed camera

Local authorities impacted by H.B. 209

As seen in the table, there are eight local authorities (the cities of Dayton, East Cleveland, and Girard, and the villages of New Miami, Newburgh Heights, Rutland, Linndale, and Brice) that may experience some amount of revenue loss if local authorities are prohibited from collecting revenue based off of evidence obtained from traffic law photo-monitoring devices that are currently in place, if the total number of traffic tickets issued exceeds two times the population of the local authority.

For five of these nine local authorities (the cities of Dayton, East Cleveland, and Girard, and the villages of New Miami and Rutland), the magnitude of any potential revenue loss is uncertain, as the number of tickets each issues annually is not readily available. However, there are three local authorities (the villages of Brice, Linndale, and Newburgh Heights) that are likely to experience a significant revenue loss, as the estimated number of tickets that each issues annually noticeably exceeds the maximum

number of tickets that can be issued under the bill. The bill's impact on each of these three local authorities is described in further detail below.

Presumably, in order to adjust to this revenue loss, these local authorities will likely have to reduce expenditures, utilize alternative revenue streams, or implement some mix of both expenditure reductions and revenue replacement.

Villages of Brice and Linndale

While data generally is not readily available regarding the number of speed camera tickets issued or the amount of fine revenue generated by local authorities, estimates from various newspapers indicate that the village of Linndale issues around 150 tickets per week, or 7,800 per year (150 x 52 weeks), and that the village of Brice issues roughly 35-40 tickets per day (12,775 to 14,600 per year). The fine imposed for a speed camera violation varies somewhat by local authority, with a violation in the village of Linndale costing a minimum of \$100 and a violation in the village of Brice costing a minimum of \$125. At these rates, the villages of Linndale and Brice are generating up to \$780,000 (7,800 x \$100) and \$1.6 million (12,775 x \$125) to \$1.8 million (14,600 x \$125) or more, respectively, per year.

Local authorities generally enter into a contract with a private company to provide the equipment and monitoring necessary to operate the devices. As part of that contract, the local authority generally agrees to give a percentage of the revenue generated using those devices to the private company. While the percentage of revenue given to a private company may vary based on the company and the agreement, the village of Linndale retains 60% of the total fine revenue generated and the village of Brice retains 50%. Using the previously determined revenue estimates for the villages of Linndale and Brice, the amount of annual revenue that each village retains from the issuance of tickets using speed cameras would be up to \$468,000 and \$800,000 to \$900,000 or more, respectively.

Under the bill, the number of tickets that the villages of Linndale and Brice would be permitted to collect revenue from is 352 and 242, respectively. This means that the amount of revenue collected annually would be limited at \$35,200 (352 x \$100) for the village of Linndale and \$30,250 (242 x \$125) for the village of Brice and the amount that each would retain would decrease to \$21,120 (\$35,200 x 0.6) and \$15,125 (\$30,250 x 0.5), respectively. As such, the villages of Linndale and Brice would annually lose up to \$446,880 and \$785,000 to \$885,000 or more, respectively.

Village of Newburgh Heights

The village of Newburgh Heights issues an estimated 600 tickets per month, or 7,200 (600 x 12) tickets per year, with the fine imposed starting at \$150. At that rate, the village of Newburgh Heights is generating around \$1,080,000 (7,200 x \$150) in fine revenue annually from speed camera tickets. Presumably, as with the villages of Brice and Linndale, a portion of that revenue goes to the private company that provides the equipment and monitoring necessary to operate the devices, however, those details were not readily available. If the percentage retained by the village is similar to that of

the villages of Brice and Linndale, the village of Newburgh Heights would be retaining an estimated \$540,000 ($\$1,080,000 \times 0.5$) to \$648,000 ($\$1,080,000 \times 0.6$) annually.

Under the bill, the number of tickets that the village of Newburgh Heights would be permitted to collect revenue from is 4,192. This means that the amount of revenue collected annually would be limited at \$628,800 ($4,192 \times \150) and assuming that the village retained somewhere between 50%-60%, the amount retained would decrease into the range of \$314,400 ($\$628,800 \times 0.5$) to \$377,280 ($\$628,800 \times 0.6$). As such, the village of Newburgh Heights would lose up to \$225,600 to \$270,720 or more annually.

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