

*Commission on Local Government*

**Estimate of Local Fiscal Impact**  
2014 General Assembly Session

**Bill:** HB 973      **Patron:** Cline      **Date:** January 16, 2014

In accordance with the provisions of §30-19.03 of the Code of Virginia, the staff of the Commission on Local Government offers the following analysis of the above-referenced legislation:

**I. Bill Summary**

HB 973 repeals the authority for localities to operate a photo-monitoring system for traffic light enforcement, colloquially known as a "photo red" program.

**II. Fiscal Impact Analysis**

The Commission on Local Government (CLG) did not solicit data from localities in the assessment of this bill, but nonetheless received input from Rappahannock County; the Cities of Chesapeake, Lynchburg, Newport News, Virginia Beach, and Winchester; and the Town of Strasburg.

Four of the responding localities – the Rappahannock County; the Cities of Lynchburg and Winchester; and the Town of Strasburg – reported that they would not experience a net decrease in revenues because they have not participated in the photo red program.

The remaining three respondents –the Cities of Chesapeake, Newport News, and Virginia Beach – reported that they would experience a revenue decrease of over \$5,000. Listed below are the revenue estimates:

Chesapeake City:	\$247,500-385,000
Newport News City:	416,000
Virginia Beach City:	841,200

The City of Chesapeake indicated that it has installed cameras at eleven intersections. The City would be forced to cancel the contracts it has made to the operators of these cameras. Upon cancellation, the City would be forced to pay the unamortized costs, which could approach \$35,000 per intersection. The City also stated that preliminary data has indicated that the program has reduced violations and is concerned that removal of the cameras could increase traffic incidents.

The City of Newport News generated its estimate based upon projected revenues for FY 2014. They have also noted that since they installed these cameras at intersections with the highest traffic volume, serious accidents have decreased while minor, less costly accidents have increased.

The City of Virginia Beach's estimate is based upon budgeted costs for operating the cameras in FY 2015 and the projected revenues from the 20 intersections where the cameras have been installed.

### **III. Conclusion**

The impact of HB 973 will be limited to those who have installed a photo-monitoring system for traffic light enforcement. For most of the Commonwealth, this bill will not have a local fiscal impact. For those that have installed cameras at their intersections, the reduction in revenues associated with HB 973 could be significant.