



## LEGISLATIVE BUDGET BOARD

# **DRIVER RESPONSIBILITY PROGRAM**

## **AN OVERVIEW**

**PRESENTED TO THE HOUSE HOMELAND SECURITY AND PUBLIC  
SAFETY COMMITTEE**

**LEGISLATIVE BUDGET BOARD STAFF**

**MARCH 2016**

# DRIVER RESPONSIBILITY PROGRAM

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## Presentation Overview

1. Statutory basis
2. Program description
3. Revenue and Appropriations
4. GEER recommendations (2007, 2009, 2015)

# DRIVER RESPONSIBILITY PROGRAM

## Statutory Basis

- Chapter 708, Transportation Code
- Enacted by House Bill 3588, Seventy-eighth Legislature, Regular Session
  - Amended by House Bill 2, Seventy-eighth Legislature, Third Called Session
  - Statute became effective September 1, 2003

# DRIVER RESPONSIBILITY PROGRAM

## Surcharges based on driving violations

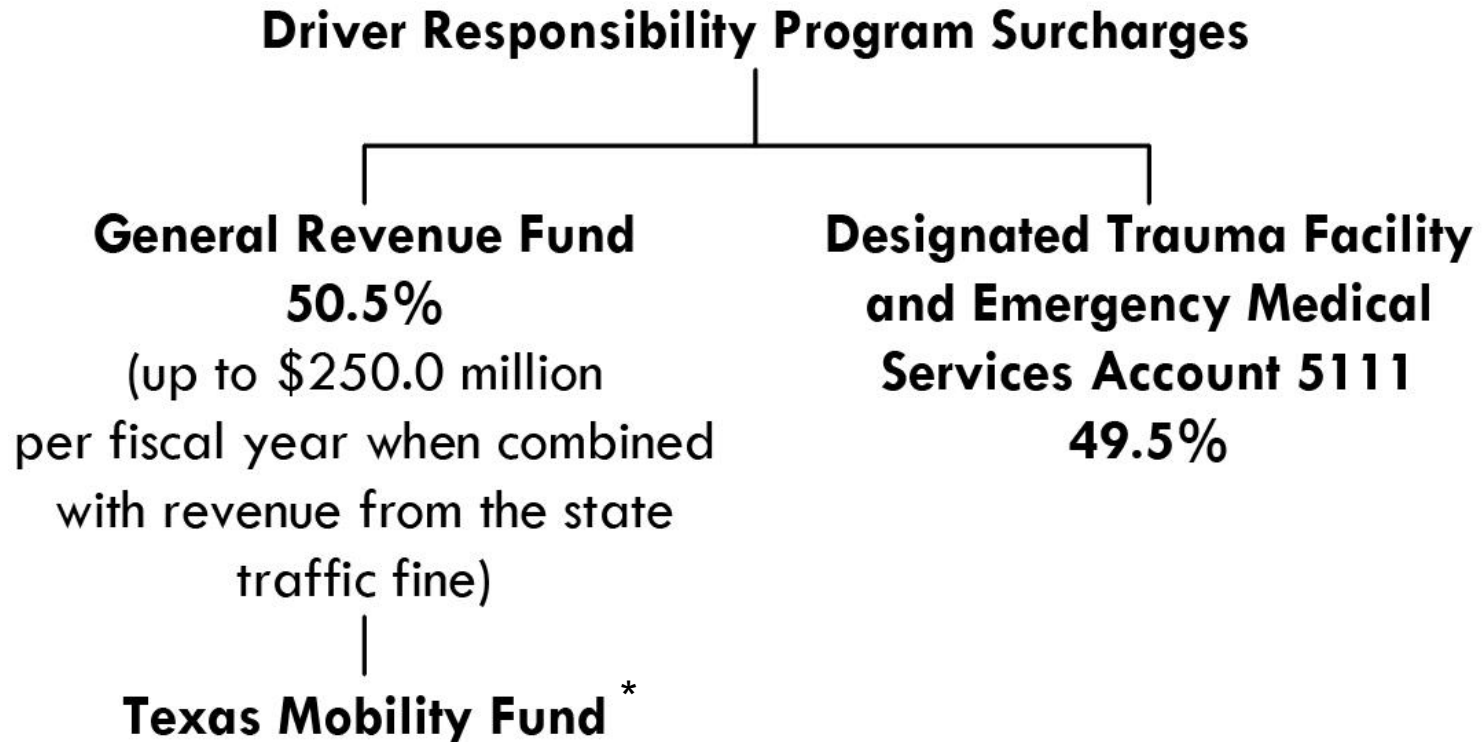
- Points: accumulating six or more points from specific moving violations within a 36 month period
- Driving while Intoxicated (DWI): operating a motor vehicle with an alcohol concentration of 0.08 or more
- License Invalid/No Insurance:
  - driving while license invalid (DWLI), meaning that the license is suspended or revoked, or
  - failing to maintain financial responsibility (having no insurance)
- No License (NL): driving with no license or an expired license

# DRIVER RESPONSIBILITY PROGRAM

## Penalties Assessed Upon Conviction

- Points: \$100 for the first six points and \$25 for each additional point
- DWI:
  - \$1,000 for a first offense
  - \$1,500 for a second or subsequent DWI conviction
  - \$2,000 if alcohol concentration is 0.16 or more
- DWLI or No Insurance: \$250
- No License: \$100
- Collected for three years following final conviction or the total amount owed over the three-year period may be paid in advance as a single payment
- If an individual has not paid or entered into agreement to pay the surcharge by the 30th day after notification, license is automatically suspended

# DRIVER RESPONSIBILITY PROGRAM



\* Revenue to the General Revenue Fund has not exceeded \$250 million since this allocation was changed in fiscal year 2006, so no funds have been sent to the Texas Mobility Fund since this time.

# DRIVER RESPONSIBILITY PROGRAM

## Collection Rates

The cumulative collection rate of the program rose from about 40 percent in fiscal year 2010 to nearly 51 percent in fiscal year 2014.

### Cumulative Collection Rate by Category, Fiscal Years 2005 to 2014

Category	FY 2014	
	Collection Rate	# of Cases
Points	73%	787,630
Intoxication	42%	1,228,527
No Insurance	40%	5,646,095
DWLI	23%	957,522
No DL	29%	3,659,312

NOTE: Represents the percentage of revenue billed and collected beginning September 30, 2004. SOURCE: Department of Public Safety.

# DRIVER RESPONSIBILITY PROGRAM

Surcharge Revenue (in millions), Fiscal Years 2009 –2015

	2009	2010	2011	2012	2013	2014	2015
General Revenue	\$85.7	\$81.9	\$86.1	\$88.4	\$68.7	\$73.0	\$76.4
Trauma Account 5111	\$84.0	\$80.4	\$84.4	\$85.0	\$69.1	\$71.6	\$74.9
<b>Total</b>	<b>\$169.6</b>	<b>\$162.3</b>	<b>\$170.4</b>	<b>\$173.4</b>	<b>\$137.8</b>	<b>\$144.5</b>	<b>\$151.2</b>

NOTE: Numbers may not sum due to rounding. SOURCE: Comptroller of Public Accounts



# SOURCES OF REVENUE TO ACCOUNT NO. 5111

## **\$30 State Traffic Fine**

- 5.0 percent: retained by locals
- 33.0 percent Designated Trauma Facility and EMS Account No. 5111
- 67.0 percent: General Revenue Fund



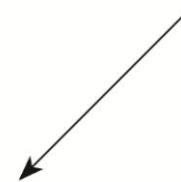
## **Driver Responsibility Surcharges**

- 49.5 percent Designated Trauma Facility and EMS Account No. 5111
- 50.5 percent General Revenue Fund



## **Red Light Camera Penalties**

- 100.0 percent Designated Trauma Facility and EMS Account No. 5111



**Designated Trauma Facility and EMS Account No. 5111, Fiscal Year 2016**

NOTE: Revenue from red light camera penalties is deposited into Account No. 5111 as of 9/1/15. Previously this revenue was deposited into Regional Trauma Account No. 5137, which was abolished by the 84<sup>th</sup> Legislature.

# SOURCES OF REVENUE TO ACCOUNT NO. 5111

FISCAL YEAR	REVENUE FROM DRIVER RESPONSIBILITY SURCHARGES DEPOSITED INTO ACCOUNT NO. 5111 (IN MILLIONS)	PERCENTAGE FROM DRIVER RESPONSIBILITY SURCHARGES	REVENUE FROM STATE TRAFFIC FINE DEPOSITED INTO ACCOUNT NO. 5111 (IN MILLIONS)	PERCENTAGE FROM STATE TRAFFIC FINE	REVENUE FROM RED LIGHT CAMERA PENALTIES DEPOSITED INTO ACCOUNT NO. 5111 (IN MILLIONS)	PERCENTAGE FROM RED LIGHT CAMERA PENALTIES	OTHER REVENUE (IN MILLIONS)	PERCENTAGE FROM OTHER SOURCES
2013	\$69.1	70%	\$29.3	30%	n/a	n/a	\$1.4	1%
2014	\$71.6	71%	\$28.9	29%	n/a	n/a	\$2.3	2%
2015	\$74.9	73%	\$27.0	27%	n/a	n/a	\$2.3	2%
2016	\$74.9*	35%	\$27.0*	13%	\$16.1*	7%	\$97.4	45%
2017	\$74.9 *	63%	\$27.0*	23%	\$16.1*	14%	\$0*	0%

NOTE: Amounts shown for fiscal years 2016-17 with asterisks are estimated. Revenue from red light camera penalties are deposited into Account No. 5111 as of 9/1/15. Previously, this revenue was deposited into Regional Trauma Account No. 5137, which was abolished by the 84<sup>th</sup> Legislature. Other Revenue includes reimbursements, interest, and transfers. In fiscal year 2016, the balance of Regional Trauma Account No. 5137 was to be transferred into Account No. 5111.

SOURCE: Comptroller of Public Accounts and Legislative Budget Board.

# REVENUE ESTIMATING AND APPROPRIATIONS PROCESS

1. Each agency estimates revenue and requests appropriations via Legislative Appropriations Request (LAR).
2. The Comptroller releases Biennial Revenue Estimate (BRE) at the beginning of session which provides an estimate of what is available to appropriate.
3. The Legislature makes appropriations via the General Appropriations Act (GAA).
4. The Comptroller releases the Certification Revenue Estimate (CRE) at the end of session, which certifies whether appropriations are within available revenue.
5. Agencies expend funds. Agencies must administer programs within appropriation authority established in the GAA.

# ACCOUNT NO. 5111

## REVENUE AND APPROPRIATIONS

Fund 5111 has historically been appropriated primarily to the Department of State Health Services to reimburse uncompensated trauma care in the state.

### Account No. 5111 Revenue and Appropriations Fiscal Years 2013-2017

FISCAL YEAR	STARTING FUND BALANCE	ESTIMATED REVENUE (CRE)	TRANSFER OF GRD 5137 FUND BALANCE (HB 7)	EXPENDED/ APPROPRIATED <sup>1</sup>	ACTUAL REVENUE COLLECTED
2013	\$371,554,005	\$114,487,000	-	\$197,372,339	\$99,850,226
2014	\$382,364,707	\$95,653,000	-	\$219,754,708	\$102,760,521
2015	\$125,843,601	\$95,653,000	-	\$199,761,625	\$104,171,585
2016	\$31,356,314	\$117,959,000	\$97,392,511	\$174,071,636	tbd
2017	\$72,636,189 <sup>2</sup>	\$117,959,000	-	\$174,071,634	tbd

NOTE: Pursuant to Special Provisions Relating to All Health and Human Services Agencies Sec. 32(d), if revenue is not collected in the amount appropriated, the appropriation of GRD 5111 funds to Strategy B.1.3, EMS & Trauma Care Systems at DSHS is reduced. SOURCE: Comptroller of Public Accounts, Cash Reports and Certified Revenue Estimates, Legislative Budget Board, General Appropriations Acts.

<sup>1</sup> Amounts shown for fiscal years 2013-2015 are expended. Amounts shown for fiscal years 2016 and 17 are appropriated. Includes appropriations to the Department of State Health Services and the Higher Education Coordinating Board

<sup>2</sup> Estimated based on FY 2016 estimated revenue and appropriations

# LBB GEER Recommendations

- *Increase Driver Responsibility Program Collections and Offender Compliance*  
Government Effectiveness and Efficiency Report, 2007
- *Improve Compliance with the Driver Responsibility Program*  
Government Effectiveness and Efficiency Report, 2009
- *Improve Driver Responsibility Program Compliance  
and Promote Good Driving Behavior*  
Government Effectiveness and Efficiency Report, 2015

All three reports identified concerns that could be impacting collection rates and program compliance and included recommendations to increase collections and compliance.

# LBB GEER Recommendations (2007)

*Increase Driver Responsibility Program Collections and Offender Compliance*  
Government Effectiveness and Efficiency Report, p. 421

- Require DPS to negotiate an additional collection contract including more extensive collection techniques (adopted with modification by Legislature)
- Make payment of certain surcharges more feasible for low-income drivers, including allowing reinstatement of installment plans and periodic amnesty programs (adopted with modification by Legislature)
- Allow additional consequences for nonpayment of certain surcharges, such as liens on personal property (recommended applying to points and DWI violators only) (not adopted by Legislature)
- Provide incentives for bad drivers to change their behavior through a reduction in surcharges or the number of years surcharges are collected (adopted by Legislature)

# LBB GEER Recommendations (2009)

*Improve Compliance with the Driver Responsibility Program*  
Government Effectiveness and Efficiency Report, p.333

- Require DPS to establish an indigency program which includes reducing an offender's surcharges (adopted by Legislature)
- Require courts to issue a statement to defendants informing them of surcharges to be paid to DRP (not adopted by Legislature, but Legislature did establish new requirements for DPS notification)
- Authorize DPS to adjust surcharges to maximize compliance among offenders (recommended no more than a 40 percent cut in surcharges) (adopted by Legislature)

# LBB GEER Recommendations (2015)

*Improve Driver Responsibility Program Compliance and Promote Good Driving Behavior*  
Government Effectiveness and Efficiency Report, p.306

- Direct DPS to improve DRP program outreach by (1) including a statement about DRP in TexasSure letters, license renewal notices, and on certain websites, and (2) developing training curricula on DRP for peace officer training (adopted by Legislature)
- Intercept state lottery winnings and unclaimed property proceeds of individuals with outstanding DRP surcharges (not adopted by Legislature)
- Reduce the amount of DRP surcharges for offenses of no insurance or no license by 50% if drivers comply with applicable insurance and driver license laws within 60 days of the offense (adopted by Legislature)



# GEER Recommendations—Summary

- The Legislature has authorized DPS to:
  - Negotiate an additional collection contract and use more extensive collection techniques (2007)
  - Establish periodic amnesty programs (2007)
  - Incentivize compliance with the law and efforts at rehabilitation, including reduction of a surcharge or decrease in length of installment plan (2007)
  - Reestablish installment plans on receipt of payment (2009)
  - Reduce surcharges (2009)

# GEER Recommendations—Summary

- The Legislature has required DPS to:
  - Develop an indigency program (2009)
  - Waive fees upon proof of indigency (2009)
  - Improve DRP program outreach by (1) including a statement about DRP in TexasSure letters, license renewal notices, and on certain websites, and (2) developing training curricula on DRP for peace officer training. (2015)
  - Reduce the amount of DRP surcharges for offenses of no insurance or no license by 50% if drivers comply with applicable insurance and driver license laws within 60 days of the offense. (2015)



## LEGISLATIVE BUDGET BOARD

# Contact the LBB

Legislative Budget Board

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