

LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT

LS 6313

BILL NUMBER: HB 1292

NOTE PREPARED: Nov 20, 2025

BILL AMENDED:

SUBJECT: Automated Traffic Enforcement Safety Devices.

FIRST AUTHOR: Rep. Johnson B

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill authorizes a county or municipality to adopt and enforce an ordinance that regulates the use of an automated traffic enforcement safety device (device) to detect certain violations. The bill provides a civil penalty for a violation. It specifies that a civil penalty must first be applied to defray the cost of the installation, operation, and maintenance of the device. It also specifies the manner in which the remaining money from the civil penalty must be distributed.

The bill also prohibits: (1) reporting a violation on a driving record; (2) using a violation to determine rates for motor vehicle insurance; (3) assessing points under the point system by the Bureau of Motor Vehicles (BMV) for a violation; and (4) reselling data collected by an agent operating a device. It requires notification to the BMV, and the suspension of the registration of a motor vehicle if a violation is not paid.

This bill also makes conforming changes.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *Bureau of Motor Vehicles* - This bill will increase the workload of the BMV to suspend registrations for individuals who fail to pay ordinance violations captured by automated traffic enforcement devices. Increases in agency workload are expected to be minimal.

Department of Insurance - This bill adds provisions to laws governing insurance where violations are actionable by the Department of Insurance (DOI) as unfair and deceptive acts. To the extent the DOI enforces provisions of this bill, agency workload would increase to investigate allegations and provide adjudicative proceedings to determine if an unfair or deceptive act has been committed. Increases in DOI workload are expected to be accomplished within existing resource and funding levels.

Explanation of State Revenues: *Summary* - The bill could increase revenue to the General Fund from citations issued by automated traffic enforcement devices and from civil penalties collected from unfair and deceptive acts discovered in the state. Additionally, the bill could increase BMV Commission Fund revenue from reinstatement fees collected from individuals who pay ordinance violations. Total increases in state

revenue from these sources is indeterminable.

Additional Information - Because the bill specifies that violations captured by automated traffic enforcement devices cannot be included in a driving record or utilized for purposes of calculating motor vehicle insurance premiums, this bill is not expected to have an impact on insurance premium tax revenue collections.

Department of Insurance - The bill also specifies that insurers who do utilize citations issued by automated traffic enforcement safety devices commit an unfair and deceptive act. If this bill increases the number of unfair and deceptive acts discovered by the Department of Insurance, revenue to the General Fund will increase from civil penalties paid by violators. The penalty for engaging in an unfair and deceptive act is one or more of the following: (1) a civil penalty between \$25,000 and \$50,000 for each act or violation and (2) revocation of a person's license or certificate of authority if they knowingly engaged in an unfair or deceptive act. Actual increases in revenue are unknown.

Bureau of Motor Vehicles - The bill allows the BMV to collect reinstatement fees from individuals who pay ordinance violations after their vehicle registration has been suspended. Increases in BMV Commission Fund revenue from these fees would depend on the amounts established by the agency and the total number of individuals who request registration reinstatement after initial suspension.

Citation Revenue - To the extent individuals contest citations issued by automated traffic enforcement devices where a court hearing occurs, the General Fund could receive additional revenue from court fees. Increases in General Fund revenue are expected to be minimal. The total court fee revenue per case would range between \$85.50 and \$103. The amount of court fees deposited will vary depending on whether the case is filed in a court of record or a municipal court. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in criminal, juvenile, and civil violation cases](#).

Explanation of Local Expenditures: This bill will increase the workload of counties and municipalities to the extent they enter into agreements with vendors for the installation and administration of automated traffic enforcement cameras. Any increase in workload and/or expenditures would be financed with the collection of ordinance violation revenue.

Contesting Citations - The bill allows individuals to contest citations. To the extent individuals contest citations, court caseload will increase to hear appeals.

Explanation of Local Revenues: Summary - To the extent counties or municipalities elect to enter into agreements with automated traffic enforcement camera vendors, local revenue is expected to increase from ordinance violation revenue collections. The total amount of increased revenue is unknown, but expected to be significant.

Additional Information - The bill allows counties or municipalities to install automated traffic enforcement cameras in school zones. Revenue received from ordinance violations is to be used first to defray the costs of the installation, maintenance, and operation of the automated traffic enforcement devices. The bill establishes the fine for an ordinance violation is not more than \$250 per offense, but may include processing fees for payment of the civil penalty. It is assumed that for each violation, a set amount will be forwarded to the vendor to defray the costs of the enforcement devices.

The remaining civil penalty revenue is distributed to the general fund of the local authority. Automated traffic enforcement devices are expected to increase the overall number of violations in an enacting county

or municipality, so it is expected that these funds will receive additional revenue to the extent a local authority elects to install these devices.

Information obtained concerning automated traffic enforcement devices installed in a local jurisdiction in North Carolina shows the devices increased local revenue by approximately \$3.34 M over an almost three-year period after accounting for program administration expenses paid to their vendor (an additional \$1.1 M). Additional information obtained from a local jurisdiction in Iowa (Cedar Rapids) shows that revenue from automated traffic enforcement devices provided approximately \$5.9 M into the local unit's budget for FY 2023 and \$5.6 M during FY 2022.

Contesting Citations - To the extent individuals contest a citation issued by an automated traffic control device, local governments would receive revenue from court fees. However, any additional revenue is likely to be small.

If the case is filed in a court of record, the county will receive \$33.90 and qualifying municipalities will receive a share of \$2.10. If the case is filed in a municipal court, the county receives \$20, and the municipality will receive \$33.50. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in criminal, juvenile, and civil violation cases.](#)

State Agencies Affected: BMV, Department of Insurance.

Local Agencies Affected: Counties; municipalities; trial courts.

Information Sources: Elizabeth Johnson, the Daily Reflector, and associated data provided by vendor American Traffic Solutions for public dissemination; Cedar Rapids Police Department Automated Traffic Enforcement Program Annual Report, 2022 & 2021.

Fiscal Analyst: Bill Brumbach, 317-232-9559.