

SUBJECT: Insurance confidentiality for tickets for exceeding national speed limits

COMMITTEE: Transportation — favorable, without amendment

VOTE: 7 ayes — Alexander, Bosse, Alonzo, Moreno, Price, Siebert, Uher

0 nays

2 absent — Clemons, Edwards

WITNESSES: For — None

Against — None

On — Bobbie F. Templeton, Texas Department of Transportation

BACKGROUND: In 1987 the federal speed limit on rural interstate and certain non-interstate highways was raised from 55 mph (the nationwide limit set in 1974 to save energy during the oil embargo) to 65 mph. The Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) made the 1987 program permanent and allowed more rural non-interstate highways to be posted at 65 mph.

Texas federal speed limit compliance is between 51 percent and 52 percent, according to the Texas Department of Transportation. If Texas compliance with speed limits falls below 50 percent, federal transportation funds earmarked for construction projects will have to be spent on safety compliance instead.

Texas law (VACS art. 6701d, sec. 166) sets highway speed limits at 70 mph for any passenger car, motorcycle, or motor-driven cycle during the daytime (65 mph at night) on any federally numbered highway outside an urban area and 60 mph (55 mph at night) on all other highways outside of urban areas. However, VACS art. 6701d, sec. 169B, authorizes TxDOT to set speed limits that prevail over those elsewhere in state law if necessary to maintain federal funding.

DIGEST: HB 835 would stipulate that if a person is issued a speeding ticket for violating a state speed limit that was lowered to comply with federal law, the information would be confidential and could not be reported to any person or state government entity by the Department of Public Safety.

The bill would take immediate effect if approved by two-thirds of the membership of each house.

SUPPORTERS SAY: Many federal highway speed limits are already set at 65 mph, so this bill would allow motorists to go up to 70 mph — as state law once did — without risking higher insurance rates if they receive a speeding ticket. This speed would not impose a safety risk for the Texas motoring public. Speeders would still get traffic tickets — the only difference would be that the insurance company would not be notified.

The bill would not encourage speeding; it would merely provide relief for those drivers who, though driving safely (70 mph or under) on a highway, exceed artificially low, federally imposed speed limits, and are doubly penalized by both a ticket and increased insurance rates.

HB 835 would have no effect on the state's share of federal highway funds. Most Texas motorists routinely disregard the current federal speed limits while maintaining a safe speed that is below once-legal state limits. On open, safe and straight roads the federal speed limit is overly restrictive. Travel at 70 mph was safe in the early 1970s, before the federal government lowered the limit, and it still is. The flatness of Texas terrain, the improved brake engineering in cars and improved roads offer an extremely safe road environment.

HB 835 would have no adverse effects on highway safety or energy conservation because the bill would not encourage people to go any faster than they already do, 5 or 10 mph over the federal limits.

The bill would provide relief from insurance companies that will use a single speeding ticket as an excuse to raise the rates of responsible motorists who have no other choice but to pay. Texas motorists should have their auto insurance rates raised only for reckless or dangerous driving, not for driving 70 mph on an empty highway. Raising rates for

any kind of ticket has provided an economic windfall for insurance companies. Low-income communities and rural areas (where the roads are often long and empty) are particularly hard hit by these unnecessary insurance increases. It is the insurance companies and the defensive driving schools who profit when insurance companies are notified of these minor tickets.

**OPPONENTS
SAY:**

This legislation would jeopardize federal highway dollars that can be used for construction purposes. While the federal allocation for Texas would be the same, Texas could be forced to spend more money for safety enforcement instead of construction projects. If Texas drops below 50 percent compliance with federal speed limits, then this reallocation of Texas federal highway money would go into effect. Current TxDOT estimates put Texas compliance with federal speed limits at less than 52 percent. Any bill that allows Texas motorists to drive faster would put federal money in jeopardy unnecessarily.

HB 835 would encourage drivers to disregard federal speed limits. Although drivers would still receive speeding tickets, they would know that their insurance company would not be notified if those tickets were for speeds below 70 mph. Many drivers are more afraid of increased insurance premiums than they are of receiving a speeding ticket.

Higher speeds mean less energy is conserved and valuable energy resources unnecessarily wasted. Also, the dangers of speeding are real, and the chance of death or serious injury from an automobile accident doubles with every 10-mph increment over 50 mph. At higher speeds, vision is narrowed, maneuverability lowered and all other possible driving problems are magnified. Traffic fatalities declined nationwide in the 1970s and 1980s when the limit was lowered to 55 mph.

A person's entire driving record should be reflected for accurate assessment of insurance policy premiums. Those who drive within legal speed limits deserve to be rewarded with lower premiums.

NOTES:

HB 187 by Craddick, similar to this bill, was enacted by the 73rd Legislature in 1993, but was vetoed by Gov. Ann Richards, who cited a possible increase in traffic accidents, injuries and deaths from higher speeds and the potential for escalating auto insurance costs.

The original version of HB 187 had provided for a fine of \$5 as a punishment for the offense of "unnecessary waste of a resource" for exceeding the federal speed limit but not the state limit. A committee amendment substituted the provision requiring that a traffic ticket for the offense of exceeding the federally imposed speed limit be confidential.

During the 1991 session HB 1820 by Craddick, which would have established a new traffic offense (a \$5 fine) for drivers violating federally imposed speed limits, and created \$5 coupons available from the DPS for the offense, passed the House but died in the Senate State Affairs Committee.