

**GEORGIA STATE SENATE  
BUDGET AND EVALUATION OFFICE**

**Chairman's Column**

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**CONFUSION ABOUT "SUPER SPEEDER LAW"?**

Starting Jan. 1, 2010, that heavy foot may cost drivers more in fines. The "Super Speeder" law will collect an additional \$200 administrative fine in addition to existing fines. Additionally, fees having to do with suspended license reinstatement have already gone up on July 1, 2009.

There is apparently some confusion about how a "Super Speeder " is defined and whether low speed violations qualify a driver as a "Super Speeder" with the accompanying extra fines.

So, this column lays out the exact conditions and violations that will earn a driver the "Super Speeder" status and cost drivers an additional \$200.

They are:

Type of highway-whether a 2 lane or 4 lane highway

Speed of vehicle -- 75 mph or 85 mph

Generally, any vehicle doing 85 mph on a two or four lane highway is a "Super Speeder" and its driver, if convicted, will owe an additional fine to the Department of Driver Services of some \$200.

On a two lane highway, a speed of 75 mph will result in "Super Speeder" status with the resulting administrative fine of \$200 as well if convicted.

While a driver may be speeding and subject to local fines, any conviction in any speed zone under 75 will not cause the additional "Super Speeder" fine.

If convicted at the violating speeds, DMS will notify the driver within 30 days of the \$200 fine. The driver has 90 days to pay the fine. If not paid, the license of the driver will be suspended. If paid after suspension, there is an additional \$50 fee for reinstatement of the license.

The "Super Speeder" fines go into the General Treasury but with the legislative intent in the law for the same amount to be appropriated to the Trauma Commission for trauma care in Georgia.

**OTHER REINSTATEMENT FEES INCREASED**

Apart from the "Super Speeder" fee structure, other existing reinstatement fees have been increased especially for subsequent convictions, mostly by \$100 each.

**SO WHEN IS - 9.6% a GOOD MONTH?**

July was the first month of the 2010 State Fiscal Year (FY) and the big question was would revenues be sufficient given the Governor's proposed 5% across the board cuts and 3 day furloughs. While less severe than the preceding six months, experience has taught not to rely on one month for a trend.

On the surface, the revenues are negative. Overall collections were down \$117.1 million or -9.6% compared to July 2008. The Governor's July 22nd revised "working" revenue estimate (which includes the furloughs and agency withholdings) built in a decrease of about 3.4%. If we continue at a 9.6% decline for the remainder of the year, we could face a shortfall of \$1 billion beyond the \$900 million cut already proposed by the Governor for FY10.

But, there is some positive news buried in these numbers. The first is that we are "making budget." Over the past 6 years, July has, on average, yielded about 6.75% of total collections for the year. That means we needed to bring in \$1.019 billion to say that we are on track to make budget. We surpassed that goal by \$78 million bringing in \$1.096 billion or 7.27% of the budget. So even though we collected almost 10% less than this time last year, the budget was cut sufficiently to cover this loss.

Delving into the categories also yields a little good news. Income taxes were down 8.4% or \$47.7 million. However, as noted in previous columns, the Department of Revenue entered the 2010 fiscal year with a backlog of 402,500 returns that were yet to be processed. Over the course of July, 250,000 of these returns were processed. This affected revenue collections by approximately \$62 million. If we remove the impact of the backlog, income taxes (which accounts for half of revenue collections) actually grew by 2.5% over July 2008.

Gross Sales and Use Taxes decreased -15.6% or \$147 million. Part of this decline for the state was offset by a 23% decline in remittances back to local governments - so the state net sales tax revenues only appears to have declined by 9.7%.

Another interesting item is the -12.9% or \$3.3 million decline in Motor Vehicle Tag and Title Registrations. In this category, titles from newly owned vehicles were down 32.1% or 11,500 compared to last year. Hopefully the federal "Cash for Clunkers" program will spur some growth in this area in the coming months. Motor Fuel Taxes declined by 17.9% or \$14.2 million. Corporate Income Taxes were the only gainers at 10.4% or \$1.3 million; however, this amount is miniscule as a percentage of total revenues.