

Approved: \_\_\_\_\_

3/7/94

Date 3/7/94

## MINUTES OF THE HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS AND INSURANCE.

The meeting was called to order by Chairperson William Bryant at 3:30 p.m. on February 24, 1994 in Room 527-S of the Capitol.

All members were present except:

Representative Kenneth King, Excused  
Representative Vernon Correll, Excused

Committee staff present: William Wolff, Legislative Research Department  
Bruce Kinzie, Revisor of Statutes  
Nikki Feuerborn, Committee Secretary

Conferees appearing before the committee: Bill Caton, KDFA  
Dick Brock, Insurance Department

Others attending: See attached list

### **ACTION ON HB 2726 and SB 508: Housing; tax equity fund; powers of banks; powers of KDFA**

These bills would amend the banking statutes and SB 508 would add a paragraph to the bill.

Representative Sebelius moved to split the bills and work them separately. Representative Bruns seconded the motion. The motion carried.

Bill Caton, KDFA, presented a flow chart of the Kansas Development Finance Authority and how the proposed State Equity Fund would interact with the agency (Attachment 1). An amendment was also proposed which would add "any state tax credit equity fund..." to Section 10 of the bill (Attachment 2). Many housing projects are not saleable due to location or being too small. This bill would allow the State to be the facilitator of pooling and allow banks to invest money in such projects. The State must try to sell them within a certain length of time. This plan to establish state treasury credit was originally designed by Senator Dole.

Representative Sebelius moved to pass the bill out favorably as amended. The motion was seconded by Representative Helgerson. Motion carried.

### **ACTION ON HB 2424: Increasing amount covered by credit life**

This bill would change the allowable amount of credit life insurance from \$50,000 to \$100,000. Bill Wolff suggested making a substitute bill which would incorporate all the technical changes.

Representative Cox moved that the bill be reported favorably as amended. Motion was seconded by Representative Kline. Motion carried.

### **ACTION ON HB 2840: Insurance laws, not applicable to religious publications**

Representative Wagle moved to amend the bill by striking Section 1 and include language which would limit the inclusion of a voluntary noncontractual mutual aid arrangement to that being founded on or before December 31, 1982 (Attachment 3). The motion was seconded by Representative Neufeld. Motion carried.

Dick Brock of the Insurance Department suggested that the exact name of the organization being implied be used in the statute as broad language lends itself to fraud.

Representative Cornfield moved to pass the bill as amended. The motion was seconded by Representative Neufeld. Motion carried.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS AND INSURANCE,  
Room 527-S Statehouse, at 3:30 p.m. on February 24, 1994.

**ACTION ON HB 2996: Driver improvement course for certain traffic infractions, dismissal**

A letter from Dale Sprague supporting passage of the bill stated that the removal of a minor traffic violation costs the insurance companies money which in way insurance companies oppose this legislation; higher premiums cost more people out of the market thereby increasing the number of insured drivers; and Kansas public policy promotes driver education (Attachment 4).

A joint letter protesting the bill from Brad Smoot of American Insurance Association, Lee Wright of Farmers Insurance Group, and Bill Sneed of State Farm was distributed (Attachment 5).

Representative Neufeld moved to report the bill adversely. Motion was seconded by Representative Cox. Representative King made a substitute motion to table the bill. The substitute motion was seconded by Representative Teagarden. Motion carried.

**ACTION ON HB 2800: Trust funds for emergency preparedness and disaster assistance created from revenues from surcharge on certain insurance policies**

Representative Dawson moved to table the bill. Motion seconded by Representative Cornfield. Motion carried. Representative Weiland asked to be recorded as a "No" vote.

**ACTION ON HB 2917: Conversion policies, premium, notices**

This bill would reconcile Kansas statutes with federal statutes regarding COBRA notices. The calculated cap would not exceed 150% of original insurance.

Representative Allen moved to delete language regarding 150% cap as it is unnecessary, thus reinstating the original language. The motion was seconded by Representative Cox. Representative Wagle made a substitute motion to table the motion as Kansas law includes a notification clause. Representative Neufeld seconded the motion. The motion failed. The original motion by Representative Allen carried by a 10 to 6 vote.

In accordance with advice from the revisor, Representative Teagarden moved to strike Section 2 of the bill. The motion was seconded by Representative Sebelius. Motion carried.

Representative Sebelius moved to report the bill favorably as amended. Representative Teagarden seconded the bill. Motion carried.

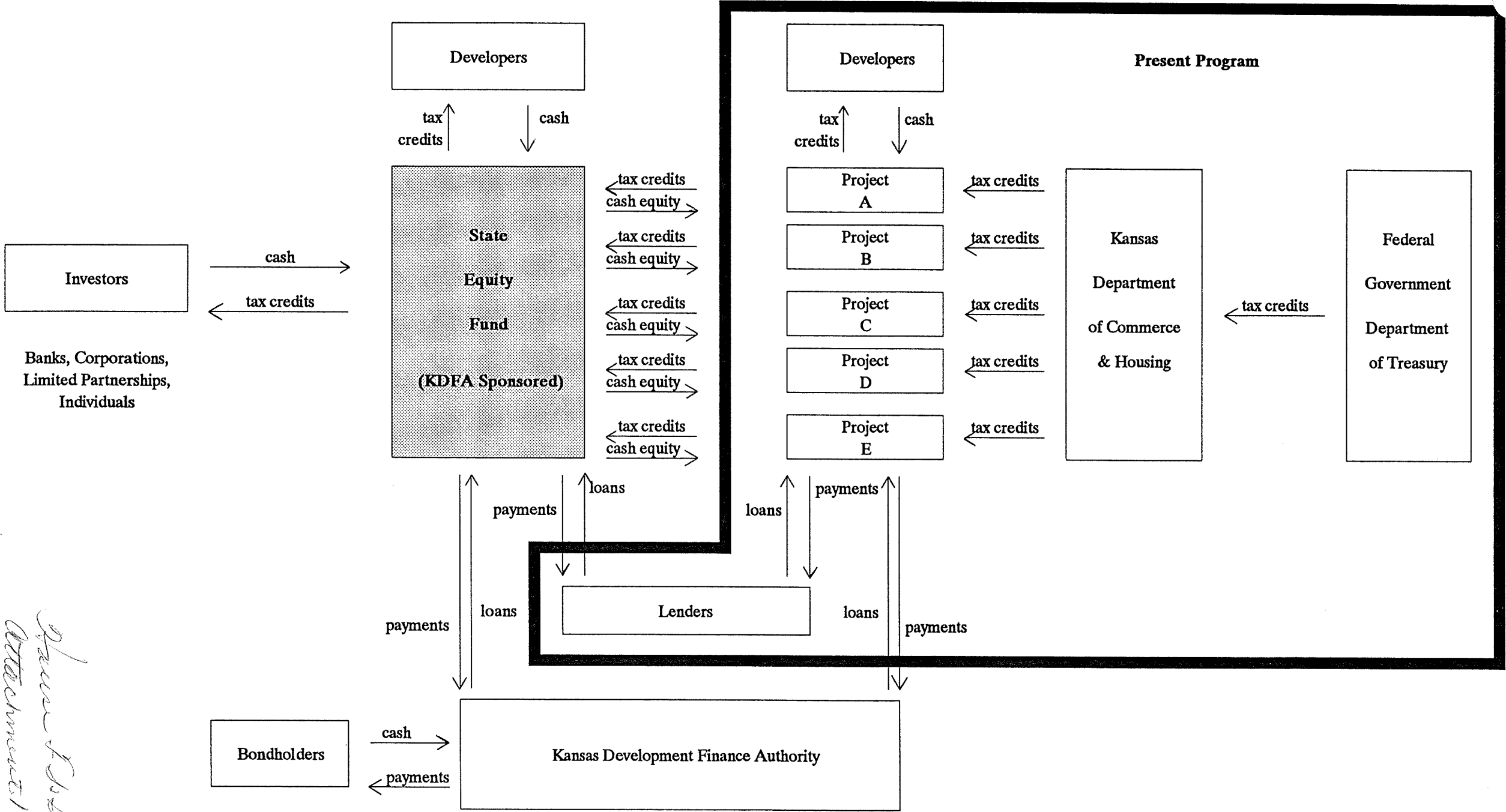
The meeting adjourned at 4:45 p.m. The next meeting is scheduled for March 7, 1994.

## GUEST LIST

COMMITTEE: FDL

DATE: 2-24-94

[illegible]



*James F. Bell*  
*Attachment 1*  
*8-24-94*

1 financial institutions and other investors or members, and operating  
 2 for the primary purpose of housing development, economic growth  
 3 and revitalization, small and minority business creation, and other  
 4 community development initiatives.

5 (v) "Community development project" (CD project) means a spe-  
 6 cific project in a particular location, such as a neighborhood, city,  
 7 county or state, the primary purpose of which is the economic im-  
 8 provement of that area or the provision of housing for low-income  
 9 and moderate-income persons in that area.

10 Sec. 2. 3. K.S.A. 1993 Supp. 9-701 and 9-1101 is are hereby  
 11 repealed.

12 Sec. 3. 4. This act shall take effect and be in force from and  
 13 after its publication in the statute book.

, and any state tax credit equity fund  
 established pursuant to K.S.A. 74-8904  
 and amendments thereto.

Amended  
 Attachment 2  
 9-24-94



Sec. 1. K.S.A. 40-202 is hereby amended to read as follows:  
 40-202. Nothing contained in this code shall apply to:

(a) Grand or subordinate lodges of any fraternal benefit society which admits to membership only persons engaged in one or more hazardous occupations in the same or similar line of business or to fraternal benefit societies as defined in and organized under article 7 of chapter 40 of the Kansas Statutes Annotated and amendments thereto, unless they be expressly designated; ~~or-to~~

(b) the employees of a particular person, firm, or corporation; ~~or-to~~

(c) mercantile associations which simply guarantee insurance to each other in the same lines of trade and do not solicit insurance from the general public; ~~nor-to;~~

(d) the Swedish Mutual Aid Association of Rapp, Osage county, Kansas; ~~nor-to;~~

(e) the Scandia Mutual Protective Insurance Company, of Chanute, Kan.; ~~nor-to~~ Kansas;

(f) the Seneca and St. Benedict Mutual Fire Insurance Company of Nemaha county, Kansas; ~~nor-to;~~

(g) the ~~Mutual~~ mutual insurance system practiced in the Mennonite church, in accordance with an old custom, either by the congregation themselves or by special associations, of its members in Kansas; ~~nor-to~~

(h) the Kansas State High-School Activities Association; ~~nor to~~

(i) the Mutual Aid Association of the Church of the Brethren; or

(j) a voluntary noncontractual mutual aid arrangement founded on or before December 31, 1982, whereby the needs of participants are announced and accommodated through subscriptions to a monthly publication.

*James F. D. D.*  
*Attachment 3*

*2-24-94*

*Copies to Com tee*

**DALE M. SPRAGUE**

Attorney at Law

Warren Place Suite 400 • P.O. Box 70  
McPherson, Kansas 67460-0070  
Phone (316) 241-7112  
FAX (316) 241-8562

Wednesday, February 23, 1994

REPRESENTATIVE DELBERT CRABB

Room 431-N

Tel. Ext. 7672

RE: H.B. 2996

Dear Delbert:

I think the Committee should consider the attached. You may want to make copies for each member.

The important information is:

COMPARE APPLES TO APPLES: This data only quotes to new customers. Any other data is skewed by internal company discount policies.

AVERAGE % INCREASE FOR CAPTIVE AGENT COMPANIES: 58% for one violation per driver. (State Farm, Farmers Insurance Group and American Family.)

AVERAGE ANNUAL \$ INCREASE FOR FAMILY COVERAGE FOR CAPTIVE AGENT COMPANIES: \$ 1,666.55 for one violation per driver. (State Farm, Farmers Insurance Group and American Family.)

QUOTES AND SUPPORTING DATA: All received voluntarily this morning from company insurance agents.

The important points are:

The removal of a minor traffic violation costs the insurance companies monies. That's why they oppose this Bill.

Higher premiums cost more people out of the market thereby increasing number of uninsured drivers.

Kansas public policy promotes driver education.

*Thanks for your help,*

*Dale* House File 1  
Attachment 4  
2-24-94

## H.B. 2996

STATE FARM INSURANCE  
WICHITA FAMILY ANNUAL AUTO PREMIUMS

VIOLATIONS	NONE	ONE	ADDITIONAL PREMIUM COST
Driver/Car #1	\$748.24	\$1003.60	\$255.36
Driver/Car #2	556.30	750.40	\$194.10
Driver/Car #3	1010.98	1496.38	\$485.40
Totals	\$2315.52	\$3250.38	\$ 934.86
Percent Increase	---		40%

Data Assumptions:

Driver #1 Male, married, over 25.	Car #1	1992 Buick LeSabre Ltd. 4D
Driver #2 Female, married, over 25.	Car #2	1990 Buick Century Ltd.
Driver #3 Male, unmarried, under 25. Good student discount	Car #3	1985 Olds Cutlass Supreme

All drivers accident free  
Multiple vehicle discount  
New policy quote

Coverages:

BI/PD	100/300/100	COMPREHENSIVE	\$100 Deductible
U/M	100/300	COLLISION	\$250 Deductible
MED/PIP	\$25,000	TOWING/ROAD SERVICE	
		RENTAL REIMBURSEMENT	



## H.B. 2996

FARMERS INSURANCE GROUP  
WICHITA FAMILY ANNUAL AUTO PREMIUMS

VIOLATIONS	NONE	ONE	ADDITIONAL PREMIUM COST
Driver/Car #1	\$974.20	\$1752.80	\$778.60
Driver/Car #2	826.60	1482.80	\$656.20
Driver/Car #3	1210.40	1855.00	\$644.60
Totals	\$3011.20	\$5090.60	\$2079.40
Percent Increase	---		69%

Data Assumptions:

Driver #1 Male, married, over 25.	Car #1	1992 Buick LeSabre Ltd. 4D
Driver #2 Female, married, over 25.	Car #2	1992 Buick Century Ltd.
Driver #3 Male, unmarried, under 25. Good student discount	Car #3	1985 Olds Cutlass Supreme

All drivers accident free  
Multiple vehicle discount  
New policy quote

Coverages:

BI/PD	100/300/100	COMPREHENSIVE	\$100 Deductible
U/M	100/300	COLLISION	\$200 Deductible
MED/PIP	\$27,500	TOWING/ROAD SERVICE	
		RENTAL REIMBURSEMENT	

**H.B. 2996****AMERICAN FAMILY INSURANCE  
WICHITA FAMILY ANNUAL AUTO PREMIUMS**

<b>VIOLATIONS</b>	<b>NONE</b>	<b>ONE</b>	<b>ADDITIONAL PREMIUM COST</b>
Driver/Car #1	\$808.80	\$1508.40	\$ 699.60
Driver/Car #2	717.80	1343.60	\$ 625.80
Driver/Car #3	1542.80	2202.80	\$ 660.00
Totals	\$3069.40	\$5054.80	\$1985.40
Percent Increase	---		65%

**Data Assumptions:**

Driver #1 Male, married, over 25.	Car #1	1992 Buick LeSabre Ltd. 4D
Driver #2 Female, married, over 25.	Car #2	1992 Buick Century Ltd.
Driver #3 Male, unmarried, under 25. Good student discount	Car #3	1985 Olds Cutlass Supreme

All drivers accident free  
Multiple vehicle discount  
New policy quote

**Coverages:**

BI/PD	100/300/100	COMPREHENSIVE	\$100 Deductible
U/M	100/300	COLLISION	\$200 Deductible
MED/PIP	\$27,500	TOWING/ROAD SERVICE	
		RENTAL REIMBURSEMENT	

## H.B. 2996

**QUOTATION BY INDEPENDENT INSURANCE AGENT  
WICHITA FAMILY ANNUAL AUTO PREMIUMS**

VIOLATIONS	NONE	ONE	ADDITIONAL PREMIUM COST
	General Casualty Company	Dairyland Insurance Company	
Driver/Car #1	\$736.00	\$2148.00	\$1412.00
Driver/Car #2	672.00	2148.00	\$1476.00
Driver/Car #3	1042.00	2904.00	\$1862.00
Totals	\$2450.00	\$7200.00	\$4750.00
Percent Increase	---		194%

Data Assumptions:

Driver #1 Male, married, over 25.	Car #1	1992 Buick LeSabre Ltd. 4D
Driver #2 Female, married, over 25.	Car #2	1992 Buick Century Ltd.
Driver #3 Male, unmarried, under 25.	Car #3	1985 Olds Cutlass Supreme

All drivers accident free  
Multiple vehicle discount  
New policy quote

Coverages:

## General Casualty Company:

BI/PD	100/300/100	COMPREHENSIVE	\$100 Deductible
U/M	100/300	COLLISION	\$250 Deductible
MED/PIP	II	TOWING/ROAD SERVICE	
GOOD STUDENT DISCOUNT		RENTAL REIMBURSEMENT	

## Dairyland Insurance Company:

BI/PD	50/100/25	COMPREHENSIVE	\$100 Deductible
U/M	50/100	COLLISION	\$250 Deductible
MED/PIP	Basic		

**GEHRT & ROBERTS, CHARTERED**

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GREGORY A. LEE  
CRAIG C. BLUMREICH  
RON D. MARTINEK  
MATTHEWS, CROWLEY

February 24, 1994

Representative Bill Bryant  
Chairman, House FI&I Committee  
State Capitol  
Topeka, Kansas 66612

RE: House Bill 2996

Dear Representative Bryant,

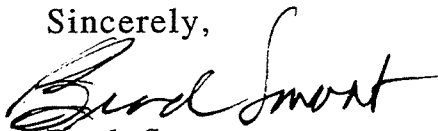
Members of the Committee have expressed an interest in reviewing the California study regarding traffic violator schools which would be established under HB 2996 and that I referred to in my testimony. Enclosed please find a copy of the report.

Even though legislation like HB 2996 may appeal to all of us as drivers, the attached report prepared by the California DMV proves beyond doubt that such programs do not accomplish either the improved safety or savings alleged to flow from such plans. (See page V.) Further, the study indicates that attendees of such programs do not have a reduction in accidents and in many cases, the participants have an increase in accident rates. (See page IV.)

Also attached is a claims summary for Kansas drivers insured by State Farm, showing clearly that drivers with violations cause greater losses than do non-violators. Sheltering such drivers from the effects of their driving habits only shifts those higher losses and costs to better, safer drivers.

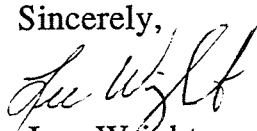
We, the undersigned, know the committee would not want to encourage, directly or indirectly, a disregard for Kansas traffic laws and public safety. Consequently we encourage you to act unfavorably on HB 2996.

Sincerely,



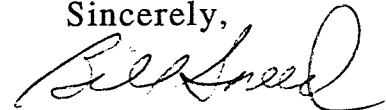
Brad Smoot  
Kansas Counsel  
American Insurance  
Association

Sincerely,

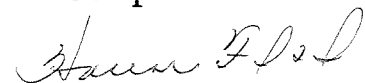


Lee Wright  
Legislative Representative  
Farmers Insurance Group

Sincerely,



Bill Sneed  
Kansas Counsel  
State Farm Insurance  
Companies



Attachment 5

2-24-94

State Farm Insurance Companies  
Kansas Experience (1993)

**INCIDENCE SUMMARY**

No Violations	216.4	claims per 1000 filed
With Violations	266.4	claims per 1000 filed

**Average Incurred Claims Cost:**

Without violations	\$1,323.00
With violations	\$1,669.08

**Claim Cost/Car:**

Without violations	\$ 286.00
With violations	\$ 444.00

**55% HIGHER COSTS**

YARR - Route to All  
RECEIVED

MAR 31 1992

EDWIN WOOLEY

# THE TRAFFIC SAFETY IMPACT OF TRAFFIC VIOLATOR SCHOOL CITATION DISMISSALS

November 1991

PETE WILSON  
Governor

CARL D. COVITZ, Secretary  
Business, Transportation and Housing Agency

FRANK S. ZOLIN  
Director

Authors: Raymond C. Peck and Michael A. Gebers  
Research and Development Section  
Division of Program and Policy Administration  
CAL-DMV-RSS-91-133

5-3



1. DOCUMENTATION PAGE		1. REPORT NO. 133	2.	3. Recipient's Accession No.
4. Title and Subtitle The Traffic Safety Impact of Traffic Violator School Citation Dismissals			5. Report Date November 1991	
7. Author(s) Raymond C. Peck and Michael A. Gebers			8. Performing Organization Rept. No. CAL-DMV-RSS-91-133	
9. Performing Organization Name and Address California Department of Motor Vehicles Research and Development Section P.O. Box 932382 Sacramento, CA 94232-3820			10. Project/Task/Work Unit No.	
			11. Contract(C) or Grant(G) No. (C) (G)	
12. Sponsoring Organization Name and Address			13. Type of Report & Period Covered Final Report	
			14.	
15. Supplementary Notes				
16. Abstract (Limit 200 words)  This study identified and compared two large samples of drivers who either completed a TVS (N = 23,578) or were convicted of a traffic citation (N = 38,131) during the period 1987-1989. Prior to adjudication, the TVS group had characteristics that were predictive of a lower subsequent accident expectancy (lower prior accident rate, lower prior conviction rate, higher proportion of females, and lower proportion of professional drivers). Despite this finding, the TVS group had significantly more accidents than did the conviction group in the subsequent one-year period. This difference (7.1% increase) increased to 10.2% when adjusted for the more favorable preexisting characteristics of the TVS group. Part of the increase in subsequent accident rate was attributed to the loss in general and specific deterrence resulting from the non-conviction masked status of the citation. It was estimated, for example, that 13,000 TVS graduates each year avoid DMV license control actions because the dismissals do not receive a point count pursuant to the state's negligent operator law. It was also found that the masked status of the TVS dismissal distorts the actuarial validity of the driver record in estimating a driver's future accident risk and in determining a driver's eligibility for a "good driver" discount pursuant to the state's insurance code. The report offered the following two recommendations for lessening the detrimental impact of TVS policy: (a) assign negligent-operator points to all TVS dismissals, and (b) unmask the original TVS dismissal whenever a driver receives a second TVS dismissal or subsequent traffic conviction in 18 months.				
17. Document Analysis a. Descriptors traffic safety, motor vehicle accidents, accident prevention, evaluation  b. Identifiers/Open-Ended Terms accident risk forecasting, traffic law violators, driver improvement schools, point systems, convictions.  c. COSATI Field/Group				
18. Availability Statement No restriction. This document is available to the public through the National Technical Information Service; Springfield, VA 22161		19. Security Class (This Report) Unclassified 20. Security Class (This Page) Unclassified		21. No. of Pages  22. Price No charge

## ACKNOWLEDGEMENTS

This report was prepared by the Research and Development Section, Division of Program and Policy Administration. The authors wish to acknowledge the contributions of Robert Hagge, Research Manager I and Dr. Mary Janke, Research Manager II, in the design of the study and in the review and editing of the final report. William C. Marsh, Research Program Specialist, made valuable contributions during the initial stage of the research design. Assistance in computer programming for the extraction of the data was provided by Alan Fung, EDP Programmer, under the direction of Ernie DeGraaf, EDP Manager. The report was typed by Seresa Hartwell, Office Technician, and the graphs were prepared by Debbie McKenzie, Staff Services Analyst.

## EXECUTIVE SUMMARY

### Background

- Under California law, courts can assign traffic violators to a Department of Motor Vehicles (DMV)-licensed traffic violator school (TVS) program and dismiss the charge pursuant to completion of the class. The assignment must be reported to the DMV, and the first such TVS dismissal in any 18 months is exempt ("masked") from public access. None of the dismissals, however, receive negligent-operator points pursuant to CVC Section 12810.
- The use of TVS as a sanction option by California courts has grown substantially during the past 5 years and represents a substantial proportion of all traffic adjudications. In 1987, 879,000 traffic violators were assigned to and attended TVS compared to 1,285,000 in 1990. The latter figure represents more than 20% of the total number of abstracts of adjudication received annually from the courts.
- The traffic safety value of the TVS dismissal policy has been questioned in two California DMV studies and in reports published by the Insurance Institute for Highway Safety. A 1979 California DMV study found no evidence that TVS programs had any impact on subsequent accident and citation rates. A 1987 DMV study reported evidence of a detrimental impact -- i.e., evidence that TVS dismissals result in an increase in accidents compared to the effects of conventional adjudication (traffic conviction).
- Among the hypotheses advanced in the 1987 study to explain why the TVS dismissal policy might result in increased accidents was the loss in deterrence potential. The 1987 study found that the TVS dismissal policy allowed 11,000 drivers each year to avoid DMV license control actions. It was also noted that the "masked" reporting status of the dismissals allows offenders to avoid increased insurance premiums and distorts the accuracy of DMV records in predicting future accident risk.
- Insurance reform legislation enacted on January 1, 1991 pursuant to Proposition 103 statutorily defines a "good driver." Some drivers receiving TVS dismissals qualify as "good drivers" who would not qualify, had they been convicted of the offense.

### Project Objectives

The present study is a follow-up to the Department's 1987 evaluation of California's TVS program. It evaluates the current traffic safety impact of the program and employs some refinements to the methodology used in the 1987 study.

### Research Design and Data Analysis

Analyses were conducted evaluating the association between traffic accident risk and the policy of offering TVS dismissals instead of standard adjudication (conviction). Comparisons were made among the following groups of licensed California drivers sampled from the master California driver record file:

- (1) Drivers (N = 23,578) who attended TVS during 1987-89 and consequently had their traffic violation dismissed (TVS subjects),
- (2) Drivers (N = 38,131) who were convicted of a 1-point moving violation during the period 1987-1989 (conviction subjects), and
- (3) Drivers randomly selected from the California driving population (average drivers).

To evaluate the impact of type of adjudication on subsequent accident frequency, groups 1 and 2 were compared with respect to the number of accidents during the subsequent one-year period. A statistical adjustment technique (analysis of covariance) was used to adjust subsequent accident rates for preexisting differences between the two groups on prior driving record and other variables (e.g., age, gender, license class, and ZIP code).

### Results

The analyses addressed five key questions. These questions, with the answers found in this study, are summarized below:

- (1) What are the characteristics of drivers attending TVS and how do they differ from traffic violators who receive standard adjudication (i.e., conviction)?
  - Prior to course assignment, TVS attendees have characteristics associated with a lower subsequent accident expectancy, compared to drivers receiving conventional adjudication (conviction). TVS attendees are more likely to be

female, are slightly older, are less likely to drive commercially, and have better driver records.

(2) Are TVS attendees as a group more, less, or equally likely to be involved in future traffic accidents than are violators receiving a conviction?

- Despite the above, TVS attendees have a significantly higher (by 7.1%) 1-year subsequent accident rate than do drivers who are convicted of their traffic offenses.

(3) Does the policy of allowing violators to avoid accumulating traffic convictions by attending TVS cause an increase (or decrease) in traffic accident risk?

- Adjustment of the observed 7.1% difference in subsequent accident rate for the initial nonequivalency of the two groups increased the magnitude of the subsequent accident rate difference. The TVS group had an adjusted 1-year subsequent accident rate that was significantly higher (by 10.2%) than that for the conviction group, strongly suggesting that the dismissal policy caused increased accident risk.
- The apparent negative traffic safety effect of the dismissal policy increased as a function of the number of prior driver record entries. Although TVS attendees have a significantly higher adjusted subsequent accident rate at all prior-incident levels, the difference is proportionally greater for offenders with two or more entries than for those with zero or one prior entry.
- Part of the above effect appears to be attributable to the impact of TVS dismissals on DMV license control actions. An analysis of the point-count levels of the TVS sample indicated that 13,000 license control actions are being avoided annually because of the non-conviction point-free status of the TVS dismissal.

(4) How many accidents are prevented or created each year by the TVS citation/dismissal policy, and what are the economic and social consequences of this effect?

- The negative effect of California's TVS citation dismissal policy is appreciable, with an estimated 12,800 additional accidents annually attributed to the program. The net annual economic loss associated with these accidents is very conservatively estimated to be \$94 million.
- (5) To what extent does the policy of withholding TVS entries from public access distort the actuarial utility of DMV's records in identifying high-risk drivers?
- The masking of traffic violations degrades the actuarial utility of DMV records in estimating casualty risk and in determining eligibility for "good driver" insurance discounts. The accident rate of drivers qualifying for "Good Driver Discounts" would be 10% lower if TVS dismissals were counted as convictions. The potential consequence of misclassifying these individuals as good drivers is that they may pay less than their fair share on insurance premiums, while others may pay more than their share in order to, in essence, subsidize this misclassification.

### Conclusions

The results support the conclusion that the citation dismissal policy for drivers who attend a traffic violator school has no beneficial impact on traffic safety. This conclusion is consistent with the following conclusion from the 1987 study:

*In reaching the above conclusions, we stress the need to distinguish between the use of TVS as an additional court sanction and the policy of dismissing traffic citations to promote TVS enrollment. The former is noncontroversial and, in fact, may represent sound policy by combining the potential value of the TVS content with the deterrent potential of traditional license control sanctions. In the only study where this was done, statistically significant reductions in both accidents and convictions did occur.*

### Policy Recommendations

The following statutory changes should be considered to reduce the detrimental impact of current TVS policy.

- Assign negligent-operator points to any TVS dismissal.

5-9



- Unmask the original TVS dismissal whenever a driver receives a second TVS dismissal or subsequent traffic conviction in 18 months.

The first-listed change would allow the Department to take license control actions against TVS attendees who accumulate negligent driving records. The second change would provide an additional incentive for a TVS driver to maintain a clean record by making masking of the original TVS conditional upon receiving no additional citations. It is believed that these changes will improve the traffic safety impact of TVS by blending the educational potential of TVS curricula with the principles of deterrence and behavior modification theory. Finally, it allows the department to administer the driver control actions needed to maintain traffic safety.