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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
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Office

H.B. 344
133rd General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 344's Bill Analysis](#)

Version: As Reported by House Transportation and Public Safety

Primary Sponsors: Reps. Howse and Patton

Local Impact Statement Procedure Required: No

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Highlights

- In the first year of implementing the “Cleveland Clinic Children’s” license plate, the Bureau of Motor Vehicles (BMV) may minimally: (1) gain \$1,500 in additional fee revenues and (2) incur \$615 in license plate production costs; the Cleveland Clinic Foundation may receive at least \$3,750 in contributions. Beginning in the second year, if the license plate stays in circulation, the minimal annual figures will be \$250 in BMV fee revenues and \$625 in contributions for the Cleveland Clinic Foundation. The annual production costs for the license plate will total \$4.10 for each new set issued.
- A person who applies for the special license plate is required to pay \$35 in additional money, consisting of a \$10 BMV administrative fee and a \$25 contribution for the Cleveland Clinic Foundation. The license plate is subject to the minimum registration requirements of 150 applicants for the first year and 25 applicants annually thereafter.
- The actual BMV fee revenue and cost, as well as contributions to the Cleveland Clinic Foundation, depend upon demand for the license plate each year.
- The bill will have no direct fiscal effect on any of the state’s political subdivisions.

Detailed Analysis

“Cleveland Clinic Children’s” license plate

The bill creates the “Cleveland Clinic Children’s” license plate that is available to all Ohio persons with an eligible vehicle registered in Ohio. As summarized in the table below, a motorist applying for the plate must pay: (1) a \$10 Bureau of Motor Vehicles (BMV) administrative fee, and (2) a \$25 contribution to the Cleveland Clinic Foundation.

“Cleveland Clinic Children’s” License Plate			
Special License Plate	BMV Fee	Required Contribution	Contribution Recipient
Cleveland Clinic Children’s	\$10	\$25	Cleveland Clinic Foundation

License plate implementation and termination procedures

Under existing law, a special license plate generally is subject to a minimum registration requirement and to related termination and revival procedures. For example, the BMV Registrar is not required to implement any legislation that creates a new license plate until the Registrar receives written statements from at least 150 persons indicating that they intend to apply for and obtain the special license plate (R.C. 4503.78). If, for any calendar year, the total number of new and renewal motor vehicle registrations involving that license plate is less than 25, the issuance of that license plate may cease as of December 31 of the following year (R.C. 4503.77).

Production costs and administrative fees

The BMV currently produces special license plates via a digital print-on-demand process. The total cost to produce a pair of these plates is \$4.10. Under the bill, a person obtaining a “Cleveland Clinic Children’s” license plate must pay an administrative fee of \$10, the purpose of which is to compensate the BMV for additional services required in issuing the plate. The administrative fees will be credited to the Public Safety – Highway Purposes Fund (Fund 5TM0), which is used in part to pay the BMV’s expenses related to titling motor vehicles, licensing drivers, and registering motor vehicles.

- Assuming the license plate satisfies the minimum 150-person registration requirement, then, in the first year, the annual production costs for the license plate will total \$615 (150 persons x \$4.10) and the administrative fees collected will total \$1,500 (150 persons x \$10).
- Assuming the license plate, in subsequent years, satisfies the minimum 25-person registration requirement (new and renewals), the administrative fees collected will total \$250 (25 persons x \$10). The annual production costs for the license plate will total \$4.10 for each new set issued.

Cleveland Clinic Foundation

The \$25 contribution paid for the issuance of the “Cleveland Clinic Children’s” license plate will be credited to the existing License Plate Contribution Fund (Fund 5V10) and then paid to the Cleveland Clinic Foundation to support Cleveland Clinic Children’s education, research, and patient services.

- Assuming that the demand satisfies the minimum threshold, then, in its first year, the license plate will generate \$3,750 (150 persons x \$25 contribution) in contributions for the Cleveland Clinic Foundation.

- In each subsequent year, at least 25 persons must purchase the license plate, otherwise it is subject to termination under existing law. Assuming that the demand satisfies the minimum threshold to avoid termination, the plate will generate \$625 (25 persons x \$25 contribution) for the Cleveland Clinic Foundation.