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Bill Analysis

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Primary Sponsor: Rep. Patton

Margaret E. Marcy, Attorney
Kitty Sorah, Attorney

SUMMARY

Traffic camera dealer license

- Creates the “traffic camera dealer license.”
- Requires any person that engages in the business of selling, renting, providing, installing, repairing, or otherwise managing a traffic law photo-monitoring device (“traffic camera”) in Ohio to obtain that license.
- Requires the Division of Industrial Compliance within the Department of Commerce to oversee applications and the licensure requirements.
- Specifies the application requirements and parameters of disqualification.
- Specifies that a licensee may renew the license annually.

Fees and additional requirements

- Establishes a \$100,000 licensing fee per traffic camera to be initially deposited into the Traffic Camera Dealer License Fund, established by the bill.
- Requires licensees to submit an annual certificate of proper operation to the Division and to the Department of Public Safety (DPS) regarding the accuracy of its traffic cameras.
- Requires DPS to test the calibration of each traffic camera once a month.
- Requires a licensee to pay a \$5,000 fee for each calibration test, to be deposited into the existing Public Safety – Highway Purposes Fund and the existing State Post-Traumatic Stress Fund.
- Requires licensees, within 48 hours after a ticket is mailed to a registered owner, to send a notice related to that ticket explaining the appeals process available to the owner.

- Makes any knowing violations of the licensing requirements a first degree misdemeanor with a \$1,000 fine per day of violation.

Tax on traffic camera dealer gross receipts

- Levies a tax on traffic camera dealers.
- Imposes the tax on the total revenue received by a traffic camera dealer from a contract with a municipality to sell, rent, install, or manage traffic cameras, at a rate of 8%.
- Allocates the revenue from the new tax to fund post-traumatic stress disorder (PTSD) health expenses and compensation for public safety officers.

DETAILED ANALYSIS

Traffic camera dealer license

The bill creates a new business license called the “traffic camera dealer license.” As such, it requires any person that engages in the business of selling, renting, providing, installing, repairing, or otherwise managing a traffic law photo-monitoring device (commonly called a “traffic camera”) in Ohio to obtain that license.¹ Political subdivisions are excluded from the meaning of “person” and are exempt from the licensure requirements in terms of their management of traffic cameras in their jurisdictions.² However, any companies that a political subdivision contracts with to obtain and manage the cameras are required to obtain the new license to conduct business in Ohio.

Applications and disqualifications

The bill requires the Division of Industrial Compliance within the Department of Commerce to oversee license applications and the general licensure requirements for the traffic camera dealer license. Applications must contain all of the following:

1. The nature of the business entity (e.g., individual, partnership, domestic corporation, etc.), any applicable names, resident/business addresses, and agents;
2. The name of any political subdivision with which the applicant intends to conduct its business;
3. A statement of the applicant’s previous history, record, and association that establishes its business reputation;
4. A statement regarding whether the applicant has previously applied for the license, the results of that application, and whether the applicant has ever had a license revoked or suspended;

¹ R.C. 4787.02.

² R.C. 4787.01.

5. A statement specifying the types of traffic cameras the applicant deals in and certifying the schedule of maintenance and calibrations conducted on those traffic cameras;
6. Evidence that the applicant is bonded or insured up to at least \$1 million; and
7. Any other information the Division requires.³

The Division is prohibited from issuing a license to an applicant if any of the following apply:

1. The applicant has been convicted of or pleaded guilty or no contest to specified statutory disqualifying offenses.⁴
2. The applicant has violated any of the Traffic Camera Dealer Law.
3. The applicant has violated any of the Divisions' rules adopted pursuant to that Law.
4. The applicant has demonstrated incompetence or untrustworthiness.
5. The applicant has engaged in fraud, misrepresentation, or deception in conducting its business.
6. The applicant has obtained or attempted to obtain a traffic camera dealer license or renew that license through fraud, deception, or misrepresentation.
7. The applicant has obtained or attempted to obtain an order, ruling, or authorization from the Division through fraud or misrepresentation.

Once approved, the Division must issue a license to an applicant and share any necessary information with the Tax Commissioner to administer the associated taxes. A license is valid for one year and applicants may renew the license.⁵

Fees and additional requirements

The bill establishes a \$100,000 licensing fee per traffic camera that the applicant sells, rents, provides, installs, repairs, or otherwise manages for both an initial application and a renewal application for a traffic camera dealer license. The fee must be deposited into the Traffic Camera Dealer License Fund, established by the bill. The Division must first use the money in the fund to administer the Traffic Camera Dealer Law and then, once a year, transfer any remaining amount not necessary for administrative costs into the existing State Post-Traumatic Stress Fund.⁶ That fund supports public safety officers affected by PTSD by helping with payments for lost wages and medical expenses.⁷

³ R.C. 4787.03(A) and (B).

⁴ R.C. 9.79, not in the bill.

⁵ R.C. 4787.03(C), (D), (E), and (F).

⁶ R.C. 4787.04.

⁷ R.C. 126.65, not in the bill.

A traffic camera dealer licensee must ensure that all installation, repair, service, and maintenance of its traffic cameras are performed in accordance with state and local laws and the generally accepted standards. Any material alterations to the cameras also must adhere to any appropriate standards for the alteration. A licensee must provide an annual certificate of proper operation that attests to the accuracy of its cameras in recording traffic law violations (i.e., red light and speeding offenses) to the Division and to the Department of Public Safety (DPS). The annual certificate is similar to the one provided under current law to local authorities by January 31 each year.⁸

In addition to the licensee's self-certification, DPS must test the calibration of each traffic camera each month. The licensee must pay DPS a \$5,000 fee for each calibration test. That fee must be deposited into the existing Public Safety – Highway Purposes Fund and used to pay the costs of calibrating the devices and the costs incurred by the State Highway Patrol for the expense of state enforcement of traffic laws. After payment of those costs, any remaining amounts must be deposited in the State Post-Traumatic Stress Fund.⁹

Finally, within 48 hours after a ticket is mailed regarding a traffic law violation captured by a licensee's traffic cameras, that licensee must send a notice to the registered owner receiving the ticket. The notice must inform the owner about the appeals process that is available to the owner.¹⁰ Under current law, a local authority (i.e., a township or county) and the camera company must act within 30 days of a violation to send a ticket based on that violation. The bill specifies that even within that 30-day window, the local authority must send the ticket within 72 hours of receiving the evidence of the alleged traffic law violation from the licensed traffic camera dealer.¹¹

Penalties

The bill specifies that any person that knowingly violates the requirements of the Traffic Camera Dealer Law is guilty of a first degree misdemeanor. That offender must pay a \$1,000 fine, with each day of violation constituting a separate offense.¹²

Tax on traffic camera dealer gross receipts

The bill imposes a new tax on traffic camera dealers. The tax equals 8% of a dealer's total revenue received after 2025 from a contract with a municipal corporation for the sale, rental, installation, repair, or management of traffic cameras.¹³

The bill requires taxpayers to file quarterly returns. Every traffic camera dealer operating in the state must register as a taxpayer with the Tax Commissioner. The dealer must provide a

⁸ R.C. 4511.092, 4511.0911, and 4787.05(A).

⁹ R.C. 4501.06 and 4787.05(B).

¹⁰ R.C. 4787.06.

¹¹ R.C. 4511.096(C).

¹² R.C. 4787.99.

¹³ R.C. 5755.01 and 5755.02.

copy of the dealer's license, as well as any other information the Commissioner requires.¹⁴ The tax applies both to licensed and unlicensed dealers.¹⁵

The bill dedicates the revenue from the new tax to the existing State Post-Traumatic Stress Fund.¹⁶

Tax administration

The tax is administered similar to the state's existing commercial activity tax (CAT) on business' gross receipts. The penalty, refund, and assessment procedures that would apply to the traffic camera dealer tax are substantially similar to the procedures that apply to the CAT and other major state taxes.¹⁷

HISTORY

Action	Date
Introduced	06-03-25

ANSB0213IN-136/ks

¹⁴ R.C. 5755.03 and 5755.05.

¹⁵ R.C. 5755.01 and 5755.14.

¹⁶ R.C. 5755.01 and 5755.13; R.C. 126.65, not in the bill.

¹⁷ R.C. 131.02, 715.013, 4303.26, 5703.052, 5703.053, 5703.19, 5703.263, 5703.50, 5703.70, 5703.77, 5755.03, 5755.04, 5755.05, 5755.06, 5755.07, 5755.071, 5755.08, 5755.09, 5755.10, 5755.12, and 5755.99.