



# Ohio Legislative Service Commission

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## Fiscal Note & Local Impact Statement

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**Bill:** H.B. 307 of the 131st G.A.

**Date:** October 13, 2015

**Status:** As Introduced

**Sponsor:** Rep. Pelanda

**Local Impact Statement Procedure Required:** No

**Contents:** Mandatory driver's license suspension for drug-related offenses

### State Fiscal Highlights

- The Bureau of Motor Vehicles may experience some initial shifting in workload and revenue, as drivers with certain license suspensions may be eligible to have their suspension terminated and license reinstated before they otherwise could have under current law.
- Longer term, there may be a decrease, likely no more than minimal annually, in the amount of reinstatement fee revenue generated for the State Bureau of Motor Vehicles Fund (Fund 4W40) if the court does not suspend a driver's license for certain drug-related offenses where it would have been required to do so under current law.

### Local Fiscal Highlights

- Local courts and clerks of courts may experience a temporary increase in the number of motions filed for the termination of a license suspension imposed for certain drug-related offenses. Any additional costs to process these motions will likely be absorbed with currently available resources.

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## Detailed Fiscal Analysis

The bill: (1) makes the suspension of an offender's driver's license for a violation of specified drug offenses discretionary for a period not to exceed five years, rather than mandatory, (2) authorizes the court to terminate a driver's license suspension imposed for specified drug offenses committed out of state, (3) authorizes generally the court to terminate a previously imposed mandatory suspension for specified drug offenses, (4) provides for the discretionary suspension of an offender's driver's license for possessing nitrous oxide in a motor vehicle, and (5) makes consistent the provisions of law governing the ability of the court to grant limited driving privileges.

At the end of calendar year 2014, there were 156,775 active in-state drug offense suspensions and 6,641 out-of-state drug offense suspensions. The number of suspensions likely to be affected by the bill is uncertain. Generally speaking, however, the bill is not expected to have a significant fiscal impact on the key components of the driver's license suspension system: the state's Bureau of Motor Vehicles (BMV) and the local courts and clerks of courts.

### License suspensions

#### State revenues and expenditures

##### Drug-related offenses

To the extent that the court chooses to utilize its authority to terminate a mandatory driver's license suspension, the BMV, which is responsible for reinstating suspended licenses, may experience some initial shift in both workload and revenue, as drivers with certain license suspensions may be eligible to have their suspension terminated and license reinstated before they otherwise could have under current law. The BMV will be able to absorb this short-term increase in its workload with existing resources. In addition, a minimal amount of license reinstatement fee revenue may be collected sooner than might otherwise have occurred under current law.<sup>1</sup>

For some drug-related offenses committed after the effective date of the bill, there may be a decrease in the amount of license reinstatement fee revenue generated, as an offense that would have received a mandatory suspension under current law may not be suspended under the bill. As a result, the BMV may experience some revenue loss as a result of reinstating fewer licenses. The amount of lost revenue is likely to be no more than minimal annually.

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<sup>1</sup> License reinstatement fees for drug-related offenses are generally \$40 and are deposited to the credit of the State Bureau of Motor Vehicles Fund (Fund 4W40), which is generally used to pay the operating expenses of the BMV.

### **Nitrous oxide**

Under the bill, the court is permitted to suspend a driver's license for possession of nitrous oxide in a motor vehicle, which may lead to a few additional license suspensions and subsequent reinstatement fees. The BMV will be able to handle any additional work utilizing existing resources. The additional license reinstatement fee revenue will be negligible.

### **Local expenditures**

As a result of making driver's license suspensions for certain drug offenses discretionary, as opposed to mandatory under current law, the courts and clerks of courts may experience an initial slight increase in caseload, as individuals whose licenses had previously been suspended for certain drug offenses may file a motion with the appropriate court and seek to have that suspension terminated. Any increase is expected to be temporary with caseloads leveling out after those existing suspensions are lifted or have run their course. Courts and clerks of courts are expected to absorb this short-term workload increase using currently available resources.

The authority, as opposed to the requirement, to suspend a license for certain drug-related offenses committed after the bill's effective date, including possession of nitrous oxide in a motor vehicle, is not expected to have a discernible impact on the courts and clerks of courts.

### **Limited driving privileges**

The bill generally expands a court's authority to grant limited driving privileges during a license suspension. As a result, there may be some reduction in the number of driving under suspension citations issued. Driving under suspension or in violation of license restriction is generally a first degree misdemeanor, subject to a fine of up to \$1,000, a jail term not to exceed 180 days, or both.

Any resulting decrease in citations issued creates a potential expenditure savings effect for the courts and clerks of courts that process these matters, as well as the BMV that administers the license suspension system. Fewer subsequent convictions mean a related loss in fines, fees, and costs retained by counties and municipalities, and court costs forwarded to the state. Any expenditure savings and revenue loss will be minimal annually.