



# OHIO LEGISLATIVE SERVICE COMMISSION

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## Fiscal Note & Local Impact Statement

**Bill:** H.B. 447 of the 132nd G.A.

**Status:** As Introduced

**Sponsor:** Rep. Reece

**Local Impact Statement Procedure Required:** No

**Subject:** "Amaranth Grand Chapter Order of the Eastern Star" license plate

### State & Local Fiscal Highlights

- In the first year of implementing the "Amaranth Grand Chapter Order of the Eastern Star" license plate, the Bureau of Motor Vehicles (BMV) may minimally: (1) gain \$1,500 in additional fee revenues and (2) incur \$912 in license plate production costs; the Amaranth Grand Chapter Foundation may receive at least \$2,250 in contributions. Beginning in the second year, in order for the special license plate to stay in circulation, the minimal annual figures will be \$250 in BMV fee revenues, \$152 in license plate production costs, and \$375 in contributions for the Amaranth Grand Chapter Foundation.
- A motorist who applies for the special license plate is required to pay \$25 in additional money, consisting of a \$10 BMV administrative fee and a \$15 contribution for the Amaranth Grand Chapter 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 Amaranth Grand Chapter 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 Fiscal Analysis

#### "Amaranth Grand Chapter Order of the Eastern Star" license plate

The bill creates the "Amaranth Grand Chapter Order of the Eastern Star" license plate that is available to all Ohio motorists. 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 \$15 contribution to be used by the Amaranth Grand Chapter Foundation.

"Amaranth Grand Chapter Order of the Eastern Star" License Plate			
Special License Plate	BMV Fee	Required Contribution	Contribution Recipient
Amaranth Grand Chapter Order of the Eastern Star	\$10	\$15	Amaranth Grand Chapter 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, during any calendar year, the total number of new and renewal motor vehicle registrations involving a license plate totals 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 \$6.08. Under the bill, a person obtaining the "Amaranth Grand Chapter Order of the Eastern Star" 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 \$912 (150 persons x \$6.08) 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), then the annual production costs for the license plate will total \$152 (25 persons x \$6.08) and the administrative fees collected will total \$250 (25 persons x \$10).

## **Amaranth Grand Chapter Foundation**

The \$15 contribution paid for the issuance of the "Amaranth Grand Chapter Order of the Eastern Star" license plate will be credited to the existing License Plate Contribution Fund (Fund 5V10) and then paid to the Amaranth Grand Chapter Foundation. The Foundation is required to use the contributions for communal outreach, charitable service, and scholarship purposes.

- Assuming demand satisfies the minimum threshold, then, in its first year, the license plate will generate \$2,250 (150 applicants x \$15 contribution) in contributions for the Amaranth Grand Chapter Foundation.
- In each subsequent year, at least 25 persons must purchase the license plate, otherwise it is subject to termination under existing law. Assuming demand satisfies the minimum threshold to avoid termination, the plate will generate \$375 (25 x \$15 contribution) for the Amaranth Grand Chapter Foundation.