

# Ohio Legislative Service Commission

Office of Research and Drafting Legislative Budget Office

# **Bill Analysis**

Click here for H.B. 74's Fiscal Note

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# **DEPARTMENT OF PUBLIC SAFETY**

#### Temporary motor vehicle license registration

- Changes the name of the temporary license placard or windshield sticker to temporary motor vehicle license registration.
- Requires, rather than authorizes, Ohio motorized bicycle dealers and licensed motor vehicle dealers to issue temporary motor vehicle license registrations by electronic means via computer equipment the dealer must buy and maintain unless otherwise authorized by the Registrar of Motor Vehicles (Registrar).
- Eliminates both of the following:
  - □ The requirement that a dealer notify the Registrar within 48 hours of the issuance of a temporary license placard by electronic or other Registrar-approved means; and
  - □ The \$5 service fee that applies when a dealer notifies the Registrar of the issuance of a placard by nonelectronic means.
- Authorizes, rather than requires, the Registrar to adopt rules specifying procedures for reporting information from temporary license registration applications and for providing that information to law enforcement.

### Farm bus registration

Increases the period of validity of a motor vehicle registration for a farm bus from 210 days to 310 days.

### Commercial trailer and semitrailer registration

- Requires the owner or lessee of a trailer or semitrailer that is registering it for the first time in Ohio to pay a one-time \$50 registration tax, instead of the annual \$25 registration tax under current law.
- Retains the requirement that any owner or lessee of a trailer or semitrailer that has previously registered that trailer to semitrailer in Ohio to pay the annual \$25 registration tax.
- Makes conforming changes in the multi-year and permanent registration options for trailers and semitrailers.
- Requires the Registrar to collect certain information regarding new registrations of trailers and semitrailers and provide a report to the Governor, Senate President, Speaker of the House of Representatives, and Director of the Legislative Service Commission by September 15, 2022.

### Vehicle registration reminder notices: E-Check

 Clarifies that battery electric motor vehicles are excluded from the requirement to undergo an emissions inspection under the motor vehicle inspection and maintenance program (E-Check).

- Specifies that a battery electric motor vehicle is a passenger car powered wholly by a battery cell energy system that can be recharged via an external source of electricity.
- Requires the Registrar to include a statement in vehicle registration renewal notices that battery electric vehicles are not subject to E-Check.

#### **Production of validation and county stickers**

- Alters the authority of the Registrar to adopt rules allowing the Registrar or deputy registrars, in lieu of Ohio Penal Industries, to print or produce validation and county stickers by doing both of the following:
  - □ Requiring the rules to expressly permit the Registrar and deputy registrars to provide for the printing or production of the stickers; and
  - □ Removing the requirement that the stickers be produced in house.

#### **Issuance of registration certificates and stickers**

- Expands the methods by which the Registrar may deliver a certificate of registration for a motor vehicle to include electronic delivery.
- Removes the requirement that a validation sticker be issued for and displayed on a nonapportioned commercial tractor or any apportioned motor vehicle.
- Allows the Registrar to issue a county identification sticker that identifies the county of registration either by name or number, rather than only by name.

### Specialty license plates

- Defines specific license plates created through legislation, and that include a combination of words, markings, logos, or other artwork in addition to the items generally required by law, as "specialty license plates."
- Specifies that the fees for the renewal of a specialty license plate must be the same as the fees for initial issuance.
- Eliminates a prior intent statement that all applicants for a specialty license plate must pay the standard motor vehicle registration taxes and fees.
- Eliminates the minimum annual sales requirement that must be met for continued issuance of a specialty license plate.
- Eliminates the annual report that certain school districts and schools are required to submit to the Department of Mental Health and Addiction Services and to the Registrar regarding the use of the contributions derived from that district or school's specialty license plate.
- Makes technical changes to the specialty license plate law.

### Salvage certificates of title

 Makes permanent a temporary provision of law that prohibits a clerk of court from issuing a salvage certificate of title if the only basis for issuing the title is information reported from the National Motor Vehicle Title Information System.

## **Electronic certificates of title**

- Specifies that "certificate of title" and "title" include both physical and electronic copies of a motor vehicle certificate of title.
- Authorizes the use of an electronic certificate of title for a casual sale of a motor vehicle.
- Requires the Registrar to develop an assignment form that may be used instead of a physical certificate of title for certain casual sales of a motor vehicle and in certain sales of a motor vehicle to a salvage dealer.
- Authorizes the Registrar and a deputy registrar to confirm proof of ownership electronically when a person first registers a motor vehicle.

# Transfer of ownership by law

- Authorizes two persons who wish to establish joint ownership with right of survivorship to an all-purpose vehicle or off-highway motorcycle to make a joint application for the certificate of title.
- Specifies that ownership to an all-purpose vehicle or off-highway motorcycle that is titled between two owners who have joint ownership with right of survivorship passes immediately to the surviving owner upon the death of the other owner.
- Authorizes owners of a motor vehicle, all-purpose vehicle, off-highway motorcycle, watercraft, and outboard motor who have title through joint ownership with right of survivorship to transfer that title through a transfer-on-death designation.

### Online renewal of driver's license and identification card

- Authorizes the Registrar to allow online renewal of a driver's license and state identification card (ID) for an eligible applicant.
- Specifies eligibility requirements for an online renewal of an applicant's driver's license or ID (e.g., the current license or ID was processed in person and the applicant is applying for a four-year license).
- Specifies that the Registrar may require applicants to submit digital copies of any required identification or supporting documents as required by state or federal law.
- Requires all applicants to comply with all other related driver's license and ID laws (e.g., pay any necessary fees).
- Requires applications for other forms of identification issued by the BMV to still be submitted in person (e.g., a commercial driver's license or nonrenewable license).

Makes conforming changes in the driver's license and ID laws.

#### Sharing digital driver's license photos

- Authorizes the Department of Public Safety (DPS) to release digitalized photographic records to the American Association of Motor Vehicle Administrators.
- Specifies that the purpose of this authorization is to allow other state departments of motor vehicles that participate in certain association programs to use the records for identity verification purposes.

### Single credential

- Prohibits a person from receiving a temporary instruction permit or identification card until a person surrenders any permit or card issued by another jurisdiction.
- Prohibits a person from possessing more than one valid temporary instruction permit or identification card.
- Requires a person who becomes an Ohio resident to surrender any temporary instruction permit or identification card issued by another state to the Registrar or a deputy registrar within 30 days of becoming a resident.
- Prohibits a new Ohio resident who fails to obtain a temporary instruction permit (or driver's license) within the 30-day period from operating a motor vehicle.
- Applies the existing criminal penalty to any violation of the prohibitions (a misdemeanor of the first degree).
- Requires the Registrar to report both of the following to an issuing state other than Ohio:
  - □ The cancellation of any temporary instruction permit or identification card; and
  - □ Information that a temporary instruction permit or identification card has now been issued to the person in Ohio.
- Requires the Registrar or a deputy registrar to destroy cancelled permits and cards if not returned to the other state's issuing authority.
- Specifies that a Registrar or deputy registrar may only issue an identification card or temporary identification card to a person who does not hold an identification card from another jurisdiction.

### **Remedial driver instruction courses**

- Specifies that any remedial driver instruction course approved by the Director of Public Safety must require instruction in one of the following ways (rather than at least 50% in person and not more than 50% in any other manner, as in current law):
  - □ Entirely in-person instruction;
  - □ Any combination of in-person and video teleconferencing or internet instruction; or

- □ Entirely remote instruction via video teleconferencing or internet instruction.
- Requires the Director to approve a course in any of the three instruction methods if it is capable of meeting the instructional standards established by the Director.

### Pedestrian right-of-way

- Requires the driver of a vehicle to stop and yield, rather than simply yield as in current law, the right-of-way to a pedestrian in a crosswalk when there is no traffic control signal.
- Requires the driver of a vehicle to stop and yield the right-of-way to a pedestrian waiting at the curb to enter a crosswalk on the half of the road on which the vehicle is traveling when there is no traffic control signal.

### Seizure of license plates after OVI offense

Eliminates the requirement that an arresting law enforcement officer remove the license plates on a vehicle seized as part of an arrest for an OVI offense and, instead, requires the license plates to remain on the vehicle unless ordered by a court.

### Towing law changes

- Authorizes the Registrar to select a vendor or vendors that can provide real-time access to motor vehicle owner and lienholder information to a towing service, storage facility, or law enforcement after a vehicle is towed.
- Adds certified mail with electronic tracking as a new option by which notice may be sent to a towed vehicle's owner and any lienholders.
- Makes conforming changes to address inconsistencies regarding notice after a vehicle is towed.

### Temporary motor vehicle license registration

(R.C. 4503.182, 2913.71, 4503.21, 4511.454, 4511.751, and 4519.10)

The bill changes the name of the temporary license placard or windshield sticker to temporary motor vehicle license registration.

The bill requires, rather than authorizes as in current law, Ohio licensed motor vehicle dealers and motorized bicycle dealers to issue the registrations by electronic means via computer equipment the dealers must buy and maintain, unless a dealer is authorized to do otherwise by the Registrar of Motor Vehicles (Registrar). The bill eliminates current requirements applicable to those dealers, including both of the following:

1. A requirement that the dealer notify the Registrar within 48 hours of the issuance of a temporary license placard by electronic or other Registrar-approved means; and

2. A requirement to pay a \$5 service fee when notifying the Registrar of the issuance of a temporary license placard by nonelectronic means.

Finally, the bill authorizes, rather than requires, the Registrar to adopt rules specifying procedures for reporting information from temporary license registration applications and for providing that information to law enforcement.

# Farm bus registration

(R.C. 4503.04)

The bill increases the validity period of a motor vehicle registration for a farm bus from 210 days to 310 days, beginning on the date the license plates are issued for the bus. A farm bus is a bus used only for transporting agricultural employees for farm operation purposes.

# Commercial trailer and semitrailer registration

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(R.C. 4503.042 and 4503.103; Section 755.20)
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Under current law, the owner or lessee of a commercial trailer or semitrailer may register that trailer or semitrailer annually, for multiple years (up to eight years), or permanently. For an annual registration, the owner or lessee pays all of the following taxes and fees:

- 1. The annual registration tax of \$25;
- 2. The annual additional Bureau of Motor Vehicles fee of \$11;
- 3. Any annual local motor vehicle taxes (ranging between \$0 to \$30); and
- 4. The deputy registrar/BMV service fee of \$5.1

For a multi-year registration, the registrant must pay all annual taxes and fees (1 to 3 above) for each year of registration, plus the \$5 service fee. For permanent registration, the registrant must pay eight times those taxes and fees, plus the \$5 service fee.

The bill changes the annual registration tax (1 above) of \$25. Specifically, it assesses a one-time \$50 registration tax for the first year of registration for any owner or lessee of a trailer or semitrailer that is registering that trailer or semitrailer for the first time in Ohio. After the new Ohio registrant pays the \$50 registration tax the first year, the registrant is not required to pay a registration tax in any subsequent registration year. The registrant still must pay the additional BMV fee (2 above) and any local taxes (3 above) for each subsequent year of registration, plus the \$5 service fee (4 above). The bill, however, retains the current annual registration tax (\$25) for any owner or lessee with a trailer or semitrailer currently registered in Ohio.

For example, a person that first registered their trailer in Ohio in 2018 paid \$25 in annual registration taxes for 2018, 2019, and 2020. The person will continue to pay the \$25 tax for each subsequent registration year. Under the bill, a person who first registers their trailer in

<sup>&</sup>lt;sup>1</sup> R.C. 4503.038, 4503.042(C), 4503.10(C)(1), and Chapter 4504.

2022 will pay the one-time \$50 registration tax and will never pay the tax again as long as the trailer is registered in the person's name.

The following table shows a cost comparison between what a current registrant pays annually and what a new registrant under the bill would pay annually for a commercial trailer or semitrailer registration (assuming no local motor vehicle registration tax is levied).

Cost comparison for annual registration				
Year of Registration	Current Registrant	New Registrant		
First year of registration	\$41 (\$25 registration tax + \$11 BMV fee + \$5 service fee)	\$66 (\$50 registration tax + \$11 BMV fee + \$5 service fee)		
Each subsequent year of registration	\$41 (\$25 registration tax + \$11 BMV fee + \$5 service fee)	\$16 (\$11 BMV fee + \$5 service fee)		

The bill also makes conforming changes to the multi-year and permanent registration options for commercial trailers and semitrailers to reflect the change in the annual registration tax for new registrants.

#### **Registrar report**

The bill requires the Registrar, between the effective date of the new registration tax and July 1, 2022, to collect all of the following information:

1. The number of new annual trailer and semitrailer registrations under the new registration tax;

2. The number of new multi-year and permanent trailer and semitrailer registrations under the new registration tax;

3. The number of new trailer and semitrailer registrations that are registered by a person or entity that is located or based in Ohio;

4. The number of new trailer and semitrailer registrations when the trailer or semitrailer was previously registered in another state or is a new registration by a person or entity that is otherwise located or was previously located in another state; and

5. The total number of commercial trailers and semitrailers registered in Ohio.

By September 15, 2022, the Registrar must provide a report to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Director of the Legislative Service Commission. The report must provide all of the information collected, as described above.

### Vehicle registration reminder notices: E-Check

(R.C. 3704.14, 4501.01, 4503.10, and 4503.102)

The bill clarifies that battery electric motor vehicles are excluded from the requirement to undergo an emissions inspection under the motor vehicle inspection and maintenance program (E-Check). A battery electric motor vehicle is a passenger car powered wholly by a battery cell energy system that can be recharged via an external source of electricity. Under current law, such vehicles are exempt from E-Check, but must undergo a one-time visual inspection.

The bill requires the Registrar to include a statement in motor vehicle registration renewal notices that battery electric vehicles are not subject to E-Check. Under current law, the Registrar must mail the notices no less than 45 days prior to the expiration date of any motor vehicle registration.

### Production of validation and county stickers

(R.C. 4503.191 and Section 205.20)

The bill alters the authority of the Registrar to adopt rules allowing the Registrar or deputy registrars, in lieu of Ohio Penal Industries, to print or produce validation and county stickers by doing both of the following:

- Requiring the rules to expressly permit the Registrar and deputy registrars to provide for the printing or production of the stickers; and
- Removing the requirement that the stickers be produced in house.

Current law specifies that validation stickers and county identification stickers must be produced by Ohio Penal Industries unless the Registrar adopts rules that permit the Registrar or deputy registrars to print or otherwise produce them in house.

### **Issuance of registration certificates and stickers**

(R.C. 4503.19, 4503.191, 4503.21, and 4503.83)

When a person registers a motor vehicle with the Registrar or a deputy registrar, the person is given multiple items:

1. A certificate of registration (a portion of which must be kept in the registered vehicle);

2. A license plate (if the person does not have one issued or the current one is damaged, lost, stolen, etc.);

3. A county sticker (if the person does not have one or is registering in a new county); and

4. A validation sticker (to be placed on the license plate and indicating the registration's expiration date).

The bill makes a few adjustments to several of these items. It expands the methods by which the Registrar may deliver a certificate of registration to include electronic delivery. Under current law, the certificate must be delivered either in person or by regular mail.

The bill also removes the requirement that a validation sticker be issued for and displayed on a nonapportioned commercial tractor or any apportioned motor vehicle (e.g., a vehicle registering under the International Registration Plan). Under current law, validation stickers must be issued for and displayed on all vehicles.

Additionally, the bill allows the Registrar to issue a county identification sticker that identifies the county of registration either by the county's name or by the county's identifying number. Under current law, the Registrar must issue a county identification sticker identifying the county only by name for the standard license plates. However, the Registrar is allowed to issue the sticker identifying the county by name or number for nonstandard (specialty) license plates (because of spacing issues with the words and logos on those plates).

# Specialty license plates

(R.C. 4501.01, 4503.511 (repealed), 4503.512 (repealed), 4503.77 (repealed), 4503.772 (repealed), 4503.79 (repealed), and 4503.791 (renumbered 4503.79); with conforming changes in 4501.21, 4503.19, 4503.29, 4503.51, 4503.513, 4503.573, 4503.581, 4503.591, 4503.593, 4503.67, 4503.68, 4503.69, 4503.771 (renumbered 4503.77), 4503.78, 4503.871, 4503.873, 4503.874, 4503.875, 4503.876, 4503.877, 4503.878, 4503.879, 4503.88, 4503.892, 4503.901, 4503.902, 4503.903, 4503.904, 4503.905, 4503.906, 4503.907, 4503.908, 4503.909, 4503.951, 4503.952, 4503.953, 4503.954, and 4503.955)

Continuing law establishes numerous license plates as alternatives to the standard-issue Ohio license plate. These alternative license plates display words or insignia representative of various organizations, causes, interests, and deeds.

### Defining "specialty license plates"

Under current law, alternative license plates created by legislation are referred to and defined variously, including as "collegiate license plates" and "nonstandard license plates." The bill eliminates the various terms and defines all such plates as "**specialty license plates**." That is, any license plate, authorized by the General Assembly, that displays a combination of words, markings, logos, or other graphic artwork that is in addition to the words, images, and distinctive numbers and letters typically required on license plates.

#### Fees and taxes for specialty license plates

The bill specifies that the contribution amount for any specialty license plate is the same each year, regardless of whether the application is for the initial issuance or the renewal of the specialty license plate. Currently, each specialty license plate has a standard contribution amount for its issuance and renewal. The computer system used by the BMV for organizing specialty license plates is adjusted to handle different contribution amounts required for different plates (i.e., a \$20 contribution for the Ohio Agriculture license plate and a \$30 contribution for the Solon City School license plate). However, the system does not allow for a

different contribution amount for the initial issuance and then the renewal of the same plate (i.e., a \$22 contribution the first year and then an \$11 contribution thereafter).

The bill also removes a prior intent statement contained in the law. That statement expressed the General Assembly's intent that no legislation creating a new license plate or affecting an existing license plate may be approved by a General Assembly if that legislation does not provide for payment by persons requesting issuance of the license plate of all taxes and fees that are normally charged and collected in issuing special license plates. Future General Assemblies, however, are not bound by such intent statements. And, recent General Assemblies have established exemptions from the requirement to pay registration taxes and fees for disabled veterans and Gold Star families.<sup>2</sup>

#### Specialty license plate termination

Specialty license plates are created by legislation, and then typically implemented after the Registrar receives written statements from at least 150 individuals expressing interest in purchasing the specific specialty license plate. The bill does not change these procedures.

The bill does, however, eliminate a statutory process that allows the Registrar to terminate a special license plate program administratively if a minimum of 25 license plates of a particular type are not issued annually.

Under that process, during any calendar year, if the total number of motor vehicle registrations for a particular specialty license plate is less than 25, including both new and renewal registrations, the Registrar, between January 1 and January 15 of the following year, must send a written notice to the sponsor organization of the license plate (if one exists) informing the sponsor of that fact. During the calendar year in which the notice is sent, if the total number of motor vehicle registrations for that license plate again is less than 25, the program involving that license plate is terminated on December 31 of the same calendar year in which the notice is sent. Beginning the following January 1, no new registration applications involving that type of license plate will be accepted by the Registrar or a deputy registrar, but previously issued license plates may continue to be renewed as long as the plates are serviceable.

If a particular license plate program is terminated under the existing process, the sponsor may reestablish the program by applying to the Registrar with at least 25 persons signing a new petition indicating that they will purchase the license plates.

According to DPS, the existing process to terminate a specialty license plate is more time-consuming and costly than simply allowing the specialty license plate to continue to exist. Once the specialty license plate has been designed and created, it is printed at the time it is requested (rather than preprinted, as it used to be under former printing processes).

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<sup>&</sup>lt;sup>2</sup> R.C. 4503.29; R.C. 4503.41 and 4503.546, not in the bill.

### **School reporting requirements**

The bill eliminates reporting requirements that apply regarding certain high school and school district license plates. Under current law, those districts and schools must deliver an annual report to the Department of Mental Health and Addiction Services and the Registrar. The report must list the total amount of money received from license plate contributions that year, a list of expenditures made using those funds, and the total percentage of spending used to provide services for mental and emotional well-being (based on the required uses of the contributions for these plates).

If a school fails to submit the report by the end of each year, the Registrar is required to transmit the contribution made for each specialty license plate to the GRF until the report is received.

#### **Technical changes**

The bill also makes technical changes to several of the specialty license plates in order to standardize language and the types of vehicles that may be issued specialty license plates.

### Salvage certificates of title

(R.C. 4505.22)

The bill makes permanent a temporary provision (that expired on January 1, 2021) prohibiting a clerk of court from issuing a salvage certificate of title if the only basis for issuing the title is information reported from the National Motor Vehicle Title Information System (NMVTIS). The clerk may, however, use information reported from the NMVTIS to issue a salvage certificate of title, provided that at least one of the following conditions also apply:

1. The clerk receives information from the automated title processing system indicating that a previously issued certificate of title in Ohio was a salvage certificate of title;

2. The vehicle was previously titled in another state and the previous certificate of title indicated that the vehicle was considered or categorized as salvage; or

3. An entity that is authorized to apply for a salvage certificate of title applies for the salvage title.

### **Electronic certificates of title**

(R.C. 4503.10, 4505.01, 4505.032, 4505.06, 4505.11, and 4505.19)

### Casual sales and assignment form

Electronic certificates of title have been recorded and tracked through the automated title processing system in Ohio for nearly 20 years. An electronic certificate of title can be used in lieu of a physical certificate of title, particularly when a motor vehicle is either purchased or sold by a motor vehicle dealer. However, under current law, a casual transfer of a motor vehicle between two individuals who are not motor vehicle dealers must be done with a physical certificate of title. If a physical certificate of title has not been issued for that motor vehicle (because previous transactions involved a motor vehicle dealer), the current owner of the motor vehicle must obtain a physical certificate of title from a clerk of court in order to make the transfer.

The bill authorizes any person to transfer ownership of a motor vehicle without a physical certificate of title. In order to effectuate the transfer, the current owner must present sufficient proof of the owner's identity and complete and sign an assignment form (created by and available from the Registrar) to give to the new owner. The new owner then must give the assignment form, a completed application for a certificate of title, and the certificate of title fees to a clerk of a court of common pleas. If an electronic certificate of title was issued previously for the motor vehicle, either the prior or the new owner may notify the clerk of the transfer via electronic means (in a manner approved by the Registrar) and the transfer becomes complete when the clerk enters the information into the automated title processing system. The fees for an electronic certificate of title are the same as the fees for a physical certificate of title.

In addition to casual sales, the new assignment form may also be used to assign a motor vehicle to a salvage dealer when the assignor is not an insurance company. The bill makes conforming changes in the certificate of title laws to account for the new assignment form and to specify that any reference to a certificate of title includes both physical as well as electronic copies of that title.

### Proof of ownership at registration

When a person initially applies for registration of a motor vehicle, that person must prove ownership of the motor vehicle being registered. The bill authorizes the Registrar or a deputy registrar to confirm the applicant's ownership of the motor vehicle electronically, as an alternative to the applicant providing physical proof of ownership with the application. Under current law, the applicant must present either a physical certificate of title, a physical memorandum of title, or evidence of an electronic certificate of title included in the automated title processing system.

### Transfer of ownership by law

(R.C. 2131.12, 2131.13, 4519.55, and 4519.60)

### Joint ownership with right of survivorship

Current law permits two persons who wish to establish joint ownership with right of survivorship to a motor vehicle, watercraft, or outboard motor to make a joint application for the certificate of title. The bill expressly extends the right to establish joint ownership with right of survivorship to two people who own an all-purpose vehicle or an off-highway motorcycle. (Current law is silent regarding whether a joint ownership with right of survivorship to for those vehicles). By having joint ownership with right of survivorship, if one of

the owners dies, the deceased owner's interest to the all-purpose vehicle or off-highway motorcycle passes automatically to the other owner outside of the probate process.<sup>3</sup>

#### Transfer-on-death designation

The bill permits owners of a motor vehicle, all-purpose vehicle, off-highway motorcycle, watercraft, and outboard motor who have title showing joint ownership with right of survivorship to transfer the title to a person or persons other than the owners through a transfer-on-death (TOD) designation. Current law permits only an individual with sole ownership to transfer the title through a TOD designation and only with regard to a motor vehicle, watercraft, or outboard motor. Current law is silent regarding whether a sole owner of an all-purpose vehicle or off-highway motorcycle may transfer that vehicle through a TOD designation.

A TOD designation is a mechanism to transfer title to property, both real property and certain forms of personal property, outside of the probate process after the owner of the property dies. The designation is noted on the certificate of title. Specifically, the words "transfer-on-death" or the abbreviation "TOD" is placed after the name of the current owner and before the name or names of the TOD beneficiary or beneficiaries on the certificate of title. The designation of a TOD beneficiary or beneficiaries has no effect on the ownership until the owner dies, and the owner may change or cancel the designation at any time before his or her death.

### Online renewal of driver's license and identification card

(R.C. 4507.06, 4507.061, 4507.12, 4507.21, and 4507.51)

The bill authorizes the Registrar to allow online renewals of a driver's license or state identification card (ID) for eligible applicants. Under current law, online renewals are only authorized for members of the military and their dependents.<sup>4</sup> The bill specifies that an applicant is eligible for online renewal if all of the following apply:

1. The applicant's current driver's license or ID was processed in person at a deputy registrar office;

2. The applicant has a photo on file with the Bureau of Motor Vehicles (BMV) from the applicant's current driver's license or ID;

3. The applicant's current driver's license or ID expires on the birthday of the applicant four years after it was issued;

4. The applicant is applying for a four-year driver's license or ID;

<sup>&</sup>lt;sup>3</sup> Without joint ownership with right of survivorship, a motor vehicle, all-purpose vehicle, off-highway motorcycle, watercraft, or outboard motor could still potentially be transferred outside of the probate process if it were a part of a trust or a similar nonprobate asset.

<sup>&</sup>lt;sup>4</sup> R.C. 4507.18, not in the bill.

5. The applicant's current driver's license or ID is unexpired or expired not more than six months prior to the date of the application;

6. The applicant is a U.S. citizen and a permanent Ohio resident;

7. The applicant is between the ages of 21 and 65;

8. The applicant's current driver's license or driving privileges are not suspended, cancelled, revoked, or restricted, and the applicant is not otherwise prohibited by law from obtaining a driver's license or ID;

9. The applicant has no changes to the applicant's name or personal information, other than a change of address; and

10. The applicant has no medical restrictions (as specified by the Registrar) that would require an in-person application.

The bill specifies that the Registrar may require applicants to submit digital copies of any required identification or supporting documents as required by state or federal law. Additionally, it waives the vision-screening requirement for an applicant who renews a driver's license online. Effectively, an eligible applicant who takes advantage of the online renewal would receive a vision screening once every eight years, instead of every four years. Except as otherwise provided (i.e., the vision screening), applicants are required to comply with all other related driver's license and ID laws when renewing online. For instance, an applicant would still pay the typical fees for a driver's license or ID.

While the bill expands online renewal options, an applicant must still apply for all of the following in person at a deputy registrar office:

1. A temporary instruction permit;

2. A commercial driver's license or a commercial driver's license temporary instruction permit;

3. An initial issuance of an Ohio driver's license or identification card;

4. An initial issuance of a federally compliant driver's license or identification card;

5. An ignition interlock license; or

6. A nonrenewable license.

The bill authorizes the Registrar to adopt rules to implement and administer the online renewals. It also makes conforming changes in the driver's license and ID laws.

# Sharing digital driver's license photos

(R.C. 4507.53)

The bill authorizes DPS to release its digitalized photographic records (i.e., I.D. photos) to the American Association of Motor Vehicle Administrators. The new authorization is to allow other state departments of motor vehicles that are participating in the association's State-to-State Verification Services and Digital Image Access and Exchange Program to use the photographic records for identity verification purposes.

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Under current law, DPS may only release its digitalized photographic records to state, local, or federal government agencies, for criminal justice purposes, or to any court.

# Single credential

(R.C. 4507.02, 4507.213, and 4507.50)

The bill prohibits both of the following:

1. A person from receiving a temporary instruction permit or identification card until a person surrenders any permit or card issued by another jurisdiction; and

2. A person from possessing more than one valid temporary instruction permit or identification card.

The bill also requires a person who becomes an Ohio resident to surrender any temporary instruction permit or identification card issued by another state to the Registrar or a deputy registrar within 30 days of becoming a resident. Accordingly, the new Ohio resident is prohibited from operating a motor vehicle if the resident fails to obtain a temporary instruction permit (or driver's license) within the 30-day period.

Under current law, a person is subject to all of the same prohibitions and requirements with respect to driver's licenses. The bill applies the current criminal penalty that applies to those offenses, a first degree misdemeanor, to any violation of the prohibitions with respect to temporary instruction permits or identification cards.

For purposes of the above prohibitions and requirements, the Registrar must report both of the following to an issuing state other than Ohio:

1. The cancellation of any temporary instruction permit or identification card; and

2. Information that a temporary instruction permit or identification card has now been issued to the person in Ohio.

The Registrar or a deputy registrar must destroy cancelled permits and cards if not returned to the other state's issuing authority. Current law requires the Registrar or a deputy registrar to take these actions, as specified, with respect to driver's licenses. Finally, the bill specifies that the Registrar or a deputy registrar may only issue an identification card or temporary identification card when the person does not hold an identification card from another jurisdiction.

### **Remedial driver instruction courses**

(R.C. 4510.037)

Under continuing law retained by the bill, a person may complete a remedial driver training course if the person has at least two points but fewer than 12 points on the person's driving record. By completing the course, the person receives a two-point credit.

The bill eliminates the requirement that a remedial driver instruction course approved by the Director include at least 50% in person instruction and not more than 50% instruction in any other manner, including via video teleconferencing or the internet. The bill instead specifies that any remedial driver instruction course approved by the Director of Public Safety must require instruction in one of the following ways:

- Entirely in-person instruction;
- Any combination of in-person and video teleconferencing or internet instruction; or
- Entirely remote instruction via video teleconferencing or internet instruction.

The bill requires the Director to approve a course in any instruction method described above if it is capable of meeting the instructional standards established by the Director.

### Pedestrian right-of-way

(R.C. 4511.46)

The bill requires the driver of a vehicle to stop and yield the right-of-way to a pedestrian waiting at the curb to enter a crosswalk on the half of the road on which the vehicle is traveling when traffic control signals are not clearly assigning the right-of-way.

The bill also requires drivers to stop and yield the right-of-way to pedestrians, as opposed to slow down or stop to yield as current law requires, in either of the following circumstances when traffic control signals are not clearly assigning the right-of-way:

1. The pedestrian is in the crosswalk on the half of the road the vehicle is traveling; or

2. The pedestrian is in the crosswalk on the opposite half of the road the vehicle is travelling, but is approaching so closely that it would be dangerous for the vehicle to continue.

#### Additional pedestrian-crossing requirements

The bill does not change any of the following requirements under current law:

1. A pedestrian is not permitted to suddenly leave a curb or other safe place to walk or run into the path of a vehicle;

2. A driver is not required to yield to a pedestrian attempting to cross the road if a pedestrian tunnel or pedestrian overhead crossing is available for the pedestrian to use;

3. A driver of another vehicle, approaching from the rear, is not permitted to overtake and pass a vehicle that has stopped to yield to a pedestrian.<sup>5</sup>

#### Penalties

Current law, unchanged by the bill, specifies that failure to yield the right-of-way to a pedestrian in a crosswalk is a minor misdemeanor. If within one year of the offense, the offender previously has been convicted of or pleaded guilty to one additional predicate motor vehicle or traffic offense, the offender is guilty of a fourth degree misdemeanor. If within one

<sup>&</sup>lt;sup>5</sup> R.C. 4511.48, not in the bill.

year of the offense, the offender previously has been convicted of or pleaded guilty to two or more predicate motor vehicle offenses, the offender is guilty of a third degree misdemeanor.

If an offender commits the offense while distracted, the offender is also potentially subject to the additional \$100 fine established for distracted driving.<sup>6</sup>

# Seizure of license plates after OVI offense

(R.C. 4511.195)

The bill requires license plates on a vehicle seized as part of an arrest for an OVI offense (impaired driving) to remain on the vehicle unless otherwise ordered by a court. Vehicle seizure is currently required when the vehicle is registered in the arrested person's name and one of the following applies:

1. Within ten years of the alleged OVI violation, the person previously has been convicted of or pleaded guilty to one or more OVI offenses or one or more other specified equivalent offenses; or

2. The person previously has been convicted of or pleaded guilty to an OVI offense under circumstances in which the violation was a felony.

Current law requires the arresting law enforcement officer to remove the license plates and the officer's agency to safely keep them separate from the vehicle.

# Towing law changes

(R.C. 4505.101, 4505.103, 4513.601, 4513.61, and 4513.611)

The bill makes several changes to the laws pertaining to the title search conducted after a vehicle is towed by a towing service, storage facility, or law enforcement. It also makes changes to the law pertaining to the notice that is sent to any owner or lienholder of a towed vehicle. Under current law, after a vehicle is towed, the towing service, storage facility, or law enforcement must request the Registrar to search for and provide the name of any owner and lienholder for the towed vehicle. The bill authorizes the Registrar to contract with a vendor or vendors to provide real-time access to the owner and lienholder information, as an alternative method to obtain that information. Additionally, the bill expressly authorizes a towing service or storage facility to search the National Motor Vehicle Title Information System in order to determine the state in which the vehicle is titled. (Current law neither authorizes or prohibits a search of that System.)

After a vehicle is towed, notice must be sent to any owner or lienholder of that vehicle in order to inform them that the vehicle has been towed and that title to the vehicle will be given to the entity with possession of the vehicle if the vehicle remains unclaimed. The bill authorizes a towing service, storage facility, and law enforcement to send notice to any owner and lienholder of a towed vehicle by certified mail with electronic tracking. Under current law,

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<sup>&</sup>lt;sup>6</sup> R.C. 4511.991.

the mechanisms for providing notice to an owner or lienholder are different for each type of tow (e.g., for vehicles left at a repair garage vs. vehicles towed by law enforcement vs. vehicles left in a private tow-away zone). The bill standardizes the mechanisms of notice to the three following methods:

- 1. Certified or express mail with return receipt requested;
- 2. Certified mail with electronic tracking; or
- 3. A commercial carrier service utilizing any form of delivery requiring a signed receipt.

# **DEPARTMENT OF TRANSPORTATION**

### **Bridge inspections**

 Specifies that bridges must be inspected at least once every two years according to a schedule set by the Director of ODOT, rather than at least once every year as in current law.

### Load limits on highways and bridges

- Removes the general vehicle weight exemption for a vehicle that runs on stationary rails or tracks.
- Narrows the vehicle weight exemption that applies to all fire department vehicles (e.g., a fire engine) to certain vehicles under specified conditions.
- Requires the Director or local authority to issue an overweight vehicle permit for a fire department vehicle with a five-year expiration date (rather than the standard one year) and at no cost to the municipal, township, or volunteer fire department.

### **Outdoor advertising devices**

- Limits application of the Outdoor Advertising Law to any type of outdoor sign or billboard to which both of the following apply:
  - □ It is owned or operated by a person or entity that earns compensation for the placement of a message on it; and
  - □ It is visible from the main traveled way of any highway on the interstate system or primary system in this state.
- Specifies that compensation is the exchange of anything of value including money, securities, real property interests, goods, services, a promise of future payment, or forbearance of a debt.
- Eliminates all restrictions regarding the placement of noncompensated signs within the vicinity of a highway on the interstate system or primary system.

### Scenic byways

 Expands the authority of the Director to designate a scenic byway to include any portion of a state, county, municipal, or township road or highway.

### "Keep Right Except to Pass" signs

 Encourages ODOT (during fiscal years 2022 and 2023) to erect additional "Keep Right Except To Pass" signs along interstate highways with three or more lanes to encourage the use of the far left lane for passing vehicles only.

### Highway maintenance and snow removal

- States that ODOT has the responsibility to maintain all interstate highways in Ohio.
- Permits the Director to enter into an agreement with a political subdivision to allow it to remove snow and ice from and to maintain, repair, improve, or provide lighting on interstate highways located within the political subdivision or to reimburse the political subdivision for such improvements.
- Continues the Catastrophic Snowfall Program to provide monetary aid for snow removal costs for municipal corporations, counties, and townships that receive 18 or more inches of snow in a 24-hour period.
- For the next two fiscal years, permits ODOT to close a rest area only if the parking lot remains available for commercial motor vehicles.

# Indefinite delivery indefinite quantity (IDIQ) contracts

- Authorizes the Director to enter in indefinite delivery indefinite quality (IDIQ) contracts for not more than two projects in fiscal years 2022 and 2023.
- For purposes of IDIQ contracts, requires the Director to prepare bidding documents, establish contract forms, determine contract terms and conditions, develop and implement a work order process, and take any other action necessary to fulfill the Director's duties and obligations related to IDIQ contracts.

# **Bridge inspections**

#### (R.C. 723.54, 5501.47, 5501.48, and 5534.20)

The bill alters the bridge inspection schedule for all bridges in Ohio, including toll bridges. Rather than current law's annual inspection requirement, the inspection must occur on a schedule established by the Director of Transportation, but at least once every 24 months. A local authority, such as a municipal corporation or board of county commissioners, however, may still require a more frequent bridge inspection, at its discretion. Bridge inspections are conducted by the county engineer, a professional engineer, or other qualified person under the supervision of a professional engineer and are done in accordance with the standards in the Manual of Bridge Inspection.

### Load limits on highways and bridges

(R.C. 5577.02 and 5577.045)

Generally, a person is prohibited from operating a vehicle on highways and bridges when the vehicle and its load exceed certain weight limitations, unless the person has a special permit. However, current law exempts a vehicle that runs on stationary rails or tracks and all fire department vehicles (e.g., a fire engine, fire truck, or similar vehicles) that exceed weight limits from the permit requirement. The bill removes the exemption for a vehicle that runs on stationary rails or tracks (thus, a driver of the vehicle will need to obtain a permit if the vehicle is over the weight limits), and narrows the weight exemption for fire department vehicles.

Under the bill, the following municipal, township, and volunteer fire department vehicles remain exempt from the weight requirements (and do not require a permit) while discharging their functions:

1. A two-axle fire department vehicle, with a front axle maximum weight of 24,000 pounds and rear axle maximum weight of 33,500 pounds and a minimum wheelbase of 15 feet; and

2. A fire department vehicle with a maximum gross vehicle weight of 86,000 pounds while operating on the interstate highway system highways and within one road mile of an interstate entrance or exit ramp.

Therefore, any other fire department vehicle that is above the general weight limits will require a permit. The bill, however, requires the Director of Transportation or any local authority issuing an overweight vehicle permit for a fire department vehicle to issue that permit at no cost to the municipal, township, or volunteer fire department. Additionally, the permit for a fire department vehicle must expire five years after the date of issuance, rather than one year, as under current law for other overweight vehicles.

### **Outdoor advertising devices**

(R.C. 5516.01, 5516.02, 5516.05, 5516.06, 5516.061, and 5516.11)

The bill limits the application of the Outdoor Advertising Law to any type of outdoor sign or billboard (device, figure, painting, drawing, message, placard, poster, or any other contrivance) to which both of the following apply:

1. It is owned or operated by a person or entity that earns compensation for the placement of a message on it; and

2. It is visible from the main traveled way of any highway on the interstate system or primary system in this state.

The bill specifies that compensation, for purposes of outdoor advertising devices, is the exchange of anything of value including money, securities, real property interests, goods, services, a promise of future payment, or forbearance of a debt.

Currently the Outdoor Advertising Law applies to any advertising device, compensated or uncompensated. The Law specifies that an advertising device is any type of outdoor sign or

billboard that is intended to advertise and is visible from the main traveled way of any highway on the interstate system or primary system in this state.

Because the bill applies the Outdoor Advertising Law only to compensated signs, it eliminates the authority of the Director of Transportation to order nonconforming uncompensated signs to be removed. This change attempts to resolve a potential constitutional conflict with the regulatory scheme established under current law. Specifically, current law may violate the free speech provisions of the First Amendment to the U.S. Constitution because ODOT may need to assess the speech content of a sign in order to determine whether the sign complies with the law.<sup>7</sup> It is unclear if the changes made by the bill fully address this potential First Amendment conflict.

Further, the distinction in the bill between compensated and uncompensated signs is problematic because it is not a distinction made in federal law. Thus, if enacted, the bill may risk the loss of federal highway funding because of this potential conflict (see **COMMENT**).

### Scenic byways

(R.C. 5516.05)

The bill expands the authority of the Director to designate a scenic byway to include any portion of a state, county, municipal, or township road or highway. Under current law, the Director may only designate highways on the interstate, national, or primary system as scenic byways.

### "Keep Right Except to Pass" signs

(Section 755.50)

The bill authorizes ODOT (during fiscal years 2022 and 2023) to erect additional "Keep Right Except To Pass" signs along interstate highways with three or more lanes to encourage the use of the far left lane for passing vehicles only. Under current law, ODOT is required to erect the signs and has done so (see R.C. 4511.351). The bill encourages ODOT to erect more of the signs.

# Maintenance of interstate highways

(Section 203.70)

The bill states that ODOT has the responsibility to maintain all interstate highways in Ohio. It permits the Director to enter into an agreement with a political subdivision to allow the political subdivision to remove snow and ice from and to maintain, repair, improve, or provide lighting on interstate highways located within the political subdivision's boundaries in order to meet federal highway requirements. Additionally, if there is a written agreement between the Director and the legislative authority of the political subdivision, ODOT may reimburse that municipal corporation for all or part of the costs incurred by the political subdivision

<sup>&</sup>lt;sup>7</sup> See *Thomas v. Bright*, 937 F.3d 721 (6<sup>th</sup> Cir. 2019).

maintaining, repairing, lighting, and removing snow and ice from the interstate highways in their boundaries. This permissive authority is an extension and revision of the authority granted to the Director in 2019 in H.B. 62 (the prior transportation budget). The prior authority only applied to municipal corporations and not to political subdivisions generally.

### Catastrophic Snowfall Program

(Section 755.40)

The bill continues, through FY 2023, the Catastrophic Snowfall Program to provide monetary aid for snow removal costs for municipal corporations, counties, and townships that receive 18 or more inches of snow in a 24-hour period and that request the aid. The Director must establish procedures for implementing and administering the program. The procedures must include:

1. An application process;

2. A system for verifying the amount of snow the applicant received; and

3. A process for administering snow removal aid to a qualified applicant.

The current program is set to expire at the end of FY 2021.

### **ODOT rest areas**

(Section 509.30)

The bill stipulates that, during FYs 2022 and 2023, ODOT may close a rest area under its jurisdiction only if it keeps the parking lot open for use by commercial motor vehicles. This is a continuation of the same stipulation previously established for FYs 2020 and 2021.

# Indefinite delivery indefinite quantity (IDIQ) contracts

(Section 203.100)

The bill requires the Director to advertise, seek bids for, and award indefinite delivery indefinite quantity (IDIQ) contracts for not more than two projects in fiscal years 2022 and 2023. An IDIQ contract is a contract for an indefinite quantity, within stated limits, of supplies or services that will be delivered by the awarded bidder over a defined contract period. For purposes of entering into IDIQ contracts, the Director is required to prepare bidding documents, establish contract forms, determine contract terms and conditions, develop and implement a work order process, and take any other action necessary to fulfill the Director's duties and obligations related to IDIQ contracts. The Director must ensure that an IDIQ contract includes the maximum overall value of the contract, which may include an allowable increase of \$100,000 or 5% of the advertised contract value, whichever is less, and the duration of the contract, including a time extension of up to one year if determined appropriate by the Director. The requirements pertaining to IDIQ contracts are an extension of the requirements from previous transportation budgets.

# TAXATION

### Taxpayer information to verify grant or loan eligibility

 Allows the Department of Taxation to disclose to the Ohio Rail Development Commission confidential taxpayer information for the sole purpose of verifying eligibility for grants or loans administered by the Commission.

### Motor fuel tax allowances and refunds

 Continues the 1% fuel dealer and 0.5% retailer shrinkage allowances in effect biennially since 2008, superseding the 3% and 1% allowances in permanent codified law.

### Disclosing taxpayer information to verify grant or loan eligibility

(R.C. 5703.21(C)(20))

The bill authorizes the Department of Taxation to disclose to the Ohio Rail Development Commission confidential taxpayer information, except information prohibited from being disclosed under federal law, for the sole purpose of verifying the taxpayer's eligibility for grants or loans administered by the Commission. The Commission, in turn, may disclose such information only if necessary to evaluate a taxpayer's eligibility for the loan or grant.

Continuing law permits disclosure of certain taxpayer information in the Department of Taxation's possession to other state agencies and offices under specified circumstances to aid in the implementation of Ohio law. Otherwise, the Department may not disclose such information, and any Department agent or employee that does so is subject to employment termination and a fine.

### Motor fuel tax allowances and refunds

(Section 757.20)

Since FY 2008, each motor fuel dealer that properly files and pays monthly motor fuel excise taxes may deduct from the payment the tax otherwise due on 1% of the fuel the dealer received, minus 0.5% of the fuel sold to retail dealers.<sup>8</sup> This allowance is to cover the costs of filing the report and to compensate for evaporation, shrinkage, and other "unaccounted for" losses. Under permanent codified law, however, the percentages are 3% and 1%, respectively.<sup>9</sup> But each of the last seven transportation appropriation acts reduced the 3% discount to 1% (minus 0.50% of fuel sold to retail dealers). The bill continues the allowance at the reduced 1% level throughout the FY 2022-2023 biennium.

<sup>&</sup>lt;sup>8</sup> Section 757.20 of H.B. 166 of the 133<sup>rd</sup> General Assembly.

<sup>&</sup>lt;sup>9</sup> R.C. 5735.06(B)(1)(c), not in the bill.

Retail fuel dealers who have purchased fuel on which the excise tax has been paid may receive a refund to account for evaporation and shrinkage.<sup>10</sup> In permanent codified law, the refund equals 1% of the taxes paid on the fuel each semiannual period. But, as with the dealer shrinkage allowance, the retailer refund has been reduced to 0.5% for each fiscal year from 2008 through 2021 by uncodified provisions in the last seven transportation appropriation acts. The bill continues the reduced percentage at this level through the FY 2022-2023 biennium.

# **OTHER PROVISIONS**

### **Retail installment contracts**

 Allows a retail seller to charge an additional fee (or similar additional expense) as part of an installment contract if the fee or expense is expressly authorized by law.

#### Fireworks manufacturer and wholesaler licenses

- Allows current and future fireworks manufacturer and wholesaler licensees to transfer their licenses from one geographic location to another upon application to, and approval from, the State Fire Marshal.
- Specifies that certain ownership transfers of fireworks manufacturer and wholesaler licenses are not subject to the current moratorium on new licenses if the transfer is through inheritance or a sale approved by the State Fire Marshal.

#### Land conveyance

 Authorizes the Governor to convey state-owned land in Jefferson County to the state for the benefit of the Jefferson Soil and Water Conservation District.

#### **Cooperative purchasing programs**

- Prohibits the Department of Administrative Services (DAS) from assessing a revenue share fee to a purchase made through a membership-based cooperative purchasing program.
- Prohibits DAS from curtailing a purchaser's authority to participate in a membershipbased cooperative purchasing agreement solely because of the purchase's exemption from the revenue share fee.

### **Retail installment contracts**

Under current law, a retail seller is generally prohibited from charging any additional fee (or a similar expense) as part of an installment contract. The bill modifies this general

<sup>&</sup>lt;sup>10</sup> R.C. 5735.141, not in the bill.

prohibition by authorizing the seller to add a fee or similar additional expense when the seller is expressly authorized by law to add that fee or expense. Thus, if a retail seller is authorized either under codified law or by rules to charge the additional fee or expense (presumably for a rendered service under the contract), that seller will be able to do so.

### Fireworks manufacturer and wholesaler licenses

(R.C. 3743.04, 3743.17, and 3743.75, with conforming changes in R.C. 3743.01 and 3743.15)

Current law imposes a general moratorium on the issuance of fireworks manufacturer and wholesaler licenses for a particular plant or location except to persons who possessed a license for that plant or location immediately prior to June 29, 2001. Current law also generally prohibits existing licensees from moving their plant or location to a new site. Both the newlicense and geographic-transfer moratorium are scheduled to expire on December 31, 2021.

#### Geographic transfer of operations

The bill allows current fireworks manufacturers and wholesalers, that meet certain criteria specified in the bill, to transfer their licenses from one geographic location to another upon application to, and approval from, the State Fire Marshal. The bill establishes procedures for those applications and approvals, and those procedures will apply to future licensees who obtain their licenses after the new license moratorium expires.

#### **Ownership transfers**

The bill specifies that certain ownership transfers of fireworks manufacturer and wholesaler licenses are not subject to the current moratorium on new licenses if the transfer is through inheritance or a sale approved by the State Fire Marshal.

### Land conveyance

(Section 753.10)

The bill authorizes the Governor to convey approximately 363.5 acres of state-owned land in Jefferson County to the state, to be held for the benefit of the Jefferson County Soil and Water Conservation District.

Consideration for the conveyance is to be the previous payment, by the Jefferson County Soil and Water Conservation District, for the land descriptions necessary to identify the land to be conveyed and facilitate the conveyance. The bill also requires the District to pay all costs associated with the purchase, closing, and conveyance of the property. Any net proceeds of the sale must be deposited into the State Treasury to the credit of the Rail Development Fund.

Under the bill, once the Jefferson Soil and Water Conservation District delivers the land descriptions for the property to the Auditor of State, the Auditor must, with assistance from the Attorney General, prepare a Governor's Deed for the property. The deed must state the consideration, be executed by the Governor in the name of the state, countersigned by the Secretary of State, sealed with the Great Seal of the State, and presented in the Office of the State Auditor for recording. The deed will then be delivered to the Jefferson Soil and Water

Conservation District, which must present the deed to the Jefferson County Recorder for recording.

The authorization to convey the property expires three years after the bill's effective date.

#### **Cooperative purchasing programs**

(R.C. 125.02)

The bill prohibits the Department of Administrative Services (DAS) from assessing a revenue share fee to a purchase made through a joint or cooperative purchasing program in which participants already pay a membership fee. The bill also prohibits DAS from removing a purchaser's authority to purchase services and supplies through a joint or cooperative purchasing program simply because a purchase of this sort is exempt from the DAS's revenue share fee.

DAS may charge a revenue share fee when a political subdivision contracts through a joint or cooperative purchasing program.<sup>11</sup> Government agencies and political subdivisions, as well as vendors, pay a membership fee to participate in some joint or cooperative purchasing programs. In some cases, government agencies and political subdivisions therefore could be charged both the membership fee for the joint or cooperative purchasing program and the DAS's revenue share fee. The bill clarifies that DAS cannot assess a revenue share fee in this case, nor can it affect a political subdivision's authority to participate in a membership-based cooperative purchasing program.

### COMMENT

### Outdoor advertising devices

#### Loss of federal highway money

The bill limits the Director of Transportation's authority to regulate uncompensated highway advertising devices. Under current law, the Director of Transportation may order certain nonconforming advertising devices, including uncompensated advertising devices, to be removed if the device is within 660 feet of the edge of the right-of-way of a highway on the interstate or primary system (or outside of the 660-foot zone in nonurban areas).<sup>12</sup>

Under the federal Highway Beautification Act, any advertising device is generally prohibited from being located within 660 feet of the edge of the right-of-way of a highway on the interstate or primary system (or outside of the 660-foot zone in nonurban areas). If a state

<sup>&</sup>lt;sup>11</sup> "Political subdivision" is defined under R.C. 125.04(B)(1)(d), not in the bill and DAS's authority to assess revenue share fees is under R.C. 125.04(B)(2), not in the bill.

<sup>&</sup>lt;sup>12</sup> R.C. 5516.08, not in the bill.

does not comply with this requirement, the U.S. Secretary of Transportation must reduce that state's federal highway funding by 10%. Federal law does not differentiate between compensated and uncompensated signs.<sup>13</sup> By failing to enforce the federal law on uncompensated signs, Ohio may risk losing federal highway funding.

# HISTORY

Action	Date
Introduced	02-09-21
Reported, H. Finance	03-03-21
Passed House (87-8)	03-04-21

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<sup>13</sup> 23 United States Code (U.S.C.) § 131.

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