

# Ohio Legislative Service Commission

Office of Research and Drafting

Legislative Budget Office

H.B. 338\* 134<sup>th</sup> General Assembly

# **Bill Analysis**

Click here for H.B. 338's Fiscal Note

**Version:** As Reported by Senate Transportation

Primary Sponsor: Rep. Hoops

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### **SUMMARY**

### Motorcycle safety and education programs

- Allows a private motorcycle safety and education program to use a final end-of-course skills exam that is different from the Department of Public Safety (DPS) final exam, provided their exam meets or exceeds the DPS requirements.
- Exempts a private program's instructors from the DPS instructor training, provided the instructor is trained by a third party and the training meets or exceeds the DPS training.
- Requires the Director of DPS to evaluate all private motorcycle safety and education programs (in addition to the state's program, Motorcycle Ohio) every two years, including inspecting their facilities, equipment, training course, curriculum, and procedures used in the instruction courses.
- Authorizes the Director to suspend or revoke the authorization for a private program that fails to maintain the curriculum, standards, and any other requirements specified during its initial authorization.
- Requires the following fees:
  - □ \$400 (one-time) for initial authorization of a private motorcycle safety and education program that is authorized after the bill's effective date;
  - \$50 (one-time) for initial certification of a private program instructor; and
  - □ \$175 (every two years) for the two-year evaluation of a program by DPS.

\* This analysis was prepared before the Senate third consideration appeared in the Senate Journal. Note that the legislative history may be incomplete.

Requires the tuition fees collected for Motorcycle Ohio to be deposited into the existing Motorcycle Safety and Education Fund.

#### **BMV fees**

- Renames a fee that the Registrar of Motor Vehicles is authorized to establish and charge for the use of electronic, digital, online, or similar programs that provide Bureau of Motor Vehicles (BMV) services a "convenience fee."
- Specifies that a convenience fee may be itemized separately from all other BMV taxes and fees.
- Requires all convenience fees collected by the Registrar to be deposited into the existing Public Safety - Highway Purposes Fund.
- Prohibits the Registrar or deputy registrar from charging a convenience fee under the new programs if a convenience fee is already authorized for the specific BMV service.
- Authorizes a motor vehicle seller (in a noncasual sale) to pass along the cost of the convenience fee to a motor vehicle buyer.
- Authorizes the Director of DPS to establish fees that a third party authorized to administer the driver's license skills test may charge applicants.
- Expressly authorizes the third party to charge a fee for the administration of the skills test if the Director does not adopt rules establishing the amount of the fee, but prohibits the fee from exceeding the cost to administer the skills test.
- Corrects an inconsistency in current law pertaining to the deputy registrar fee charged for a driver's license in which that fee is combined with the vision-screening fee.

### CDL temporary instruction permit knowledge test waiver

- Requires the Registrar to adopt rules authorizing the waiver of the knowledge test, which is generally required for obtaining a commercial driver's license (CDL) temporary instruction permit, for specified current and former military service members, in accordance with the federal regulations that authorize the waiver.
- Corrects an outdated reference to federal law related to the waiver of the skills test for specified current and former military service members who apply for a CDL.

# **Regional Transit Authorities**

- Allows a regional transit authority (RTA) to issue revenue bonds supported by the proceeds of the RTA's sales tax.
- Expands the scope of activities available to an RTA with territory that includes a county with a population of at least 1.3 million, i.e., the Central Ohio Transit Authority (COTA).

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#### Toll violations between states

- Allows the Governor or the Governor's designee, in consultation with the Director of DPS, to enter into reciprocal agreements with other states regarding the enforcement of motor vehicle toll violations.
- Specifies that the agreement must include, as one enforcement mechanism for such toll violations, the refusal of an application for or refusal of the transfer of a motor vehicle registration.

### **Brent Spence Bridge Project**

- Authorizes the Director of Transportation to award design/build contracts up to a total of \$1.5 billion with respect to an Ohio River bridge project (i.e., the Brent Spence Bridge Project).
- Requires the Director to apply to the Controlling Board if the contracts will exceed the \$1.5 billion threshold.
- Authorizes the Director to compensate not more than three bidders for preparation of a responsive preliminary design concept for the project.
- Specifies that the contracting authority granted by the bill is for purposes of applying for federal funding, and any subsequent awards of that funding would need approval by the General Assembly for specific appropriations.

### **Appropriations**

- Appropriates supplemental federal funding to the Highway Operating Fund.
- Modifies the funding mechanism for a Department of Natural Resources capital project.
- Makes appropriations for the departments of Natural Resources, Public Safety, Veterans Services, and the Ohio History Connection.

#### **DETAILED ANALYSIS**

# Motorcycle safety and education programs

The bill makes several changes to the laws related to motorcycle safety and education programs that are offered by the state and by private organizations and corporations. Under current law, a private organization or corporation is allowed to offer a nationally recognized motorcycle safety and education program as an alternative to the program created and offered by the Department of Public Safety (DPS), known as Motorcycle Ohio. The bill allows the private organization or corporation to use a final end-of-course skills exam that is different from the final exam offered by DPS, provided the exam meets or exceeds the requirements of the DPS exam. 2

<sup>&</sup>lt;sup>1</sup> R.C. 4508.08(A)(2)(a).

<sup>&</sup>lt;sup>2</sup> R.C. 4508.08(H).

The bill also exempts a private organization or corporation's instructor from the DPS instructor training curriculum, provided that the instructor:

- 1. Has been trained by the authorized private organization or corporation and the training meets or exceeds the DPS training curriculum; and
- 2. Has met all other DPS certification requirements (e.g., criminal background checks).<sup>3</sup>

Under current law, as part of Motorcycle Ohio, the Director of DPS is authorized to prescribe the manner and form of certification for instructors of the program. The Director also establishes the standards for the courses taught under the program.<sup>4</sup> Current law is silent, however, on whether the instructor certification, instructor training, or the final skills examination required by the Director for the DPS program must also be used for the private programs.

The bill additionally requires the Director to evaluate all private programs every two years (in addition to Motorcycle Ohio, as required under current law). The evaluation must include inspecting a program's facilities, equipment, training course, curriculum, and any procedures used in the instruction courses. If a private program fails to maintain the curriculum, standards, and any other requirements specified during its initial authorization, the bill authorizes the Director to suspend or revoke the program's authorization (in accordance with rules adopted under the Administrative Procedures Act).<sup>5</sup>

#### Authorization, certification, and evaluation fees

The bill requires the Director to charge the following fees:

- A one-time \$400 fee for the initial authorization of a private organization or corporation's motorcycle safety and education program, for any program authorized after the bill's effective date;
- 2. A one-time \$50 fee for the initial state certification of an instructor of the private organization or corporation's program;
- 3. An ongoing \$175 fee due at the time of the two-year program evaluation, as described above.<sup>6</sup>

The fees must be deposited into the existing Motorcycle Safety and Education Fund. The bill additionally requires all tuition fees collected from participants in Motorcycle Ohio to be deposited into that fund. The fund also contains a portion of all motorcycle registration taxes and is used to pay the costs of administering Motorcycle Ohio.<sup>7</sup>

<sup>4</sup> R.C. 4508.08(A)(1).

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<sup>&</sup>lt;sup>3</sup> R.C. 4508.08(I).

<sup>&</sup>lt;sup>5</sup> R.C. 4508.08(C).

<sup>&</sup>lt;sup>6</sup> R.C. 4508.08(J).

<sup>&</sup>lt;sup>7</sup> R.C. 4501.13 and 4508.08(A)(1).

### **BMV fees**

#### Convenience fee

Under current law, the Registrar of Motor Vehicles may develop and implement (or allow a deputy registrar to implement) one or more programs that enhance the convenience and availability of the Bureau of Motor Vehicles (BMV) services through electronic means (e.g., kiosks or similar self-serve options). The Registrar must establish the amount of any fee that may be charged to customers for the benefit of using those programs. The bill specifies that the fee is a "convenience fee" and declares that the convenience fee is separate from all other authorized taxes and fees and that the Registrar or a deputy registrar may itemize it separately. However, the bill prohibits the Registrar or deputy registrar from charging a convenience fee for the electronic program if the particular BMV service already includes a similar type of fee. A motor vehicle seller in a noncasual sale (e.g., a motor vehicle dealer) may pass along the cost of the convenience fee to the motor vehicle buyer.

Any convenience fee collected by the Registrar must be deposited into the existing Public Safety – Highway Purposes Fund, while a deputy registrar may retain it to cover the cost of providing the service. Additionally, the bill declares that the convenience fee may be charged for use of any program that utilizes digital, online, or other similar technology, in addition to electronic means to serve customers as in current law.<sup>8</sup>

#### Fees for third party driver's tests

The bill authorizes the Director of DPS to adopt rules (in accordance with the Administrative Procedures Act) establishing reasonable fees that a third party authorized to administer the motor vehicle driver's license skills test may charge for the administration of that test. If the Director does not adopt rules establishing the amount of the fees, a third party may charge applicants a fee for the administration of the test. However, that fee may not exceed the cost to administer the skills test.<sup>9</sup>

# Driver's license vision test fee and deputy registrar fee

The bill corrects an inconsistency in current law pertaining to the deputy registrar fee (currently, \$5) that is charged for a standard 4-year driver's license. Decifically, the bill corrects a reference to a \$6.25 fee that combined the deputy registrar fee with the vision-screening fee, but did not account for the increase to the deputy registrar fee, authorized by the 133<sup>rd</sup> General Assembly. The current reference presumes a \$2.75 vision-screening fee plus the prior \$3.50 deputy registrar fee, instead of a \$2.75 vision-screening fee plus the currently required \$5 deputy

<sup>9</sup> R.C. 4507.112(C).

<sup>&</sup>lt;sup>8</sup> R.C. 4501.025.

 $<sup>^{10}</sup>$  R.C. 4503.038, not in the bill.

<sup>&</sup>lt;sup>11</sup> Am. Sub. H.B. 166 of the 133<sup>rd</sup> General Assembly.

registrar fee. The bill makes the same corrective change for the 8-year standard driver's license fees, but doubled. 12

### CDL temporary instruction permit knowledge test waiver

The bill requires the Registrar to adopt rules authorizing the waiver of the knowledge test that is generally required for obtaining a commercial driver's license (CDL) temporary instruction permit for specified current and former military service members. The waiver is limited to members to which all of the following apply during the year preceding the application for the permit:

- 1. The applicant has been regularly employed in a federally specified position within the military;<sup>13</sup>
- 2. The applicant has been operating a vehicle that is representative of the commercial motor vehicle that the applicant intends to operate;
- 3. The applicant has not simultaneously held more than one civilian license;
- 4. The applicant has not had any license suspended, revoked, or cancelled;
- 5. The applicant has not been convicted of a disqualifying offense;
- 6. The applicant has not been convicted of a serious traffic violation; and
- 7. The applicant has not been convicted of a military, state, or local motor vehicle traffic law in connection with an accident or an accident in which the applicant was at fault.<sup>14</sup>

The waiver does not apply to a U.S. Reserve Technician. Federal regulations authorize a waiver of the knowledge test if any applicant meets all of the above conditions. Similarly, federal law and current state law authorize a waiver of the skills test for specified current and former military service members. The bill corrects an outdated reference to the federal regulations related to that skills test waiver.

# Regional transit authority

The bill makes two changes to the law governing regional transit authorities (RTAs). First, the bill allows an RTA to issue revenue bonds supported by the proceeds of the RTA's sales tax.

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<sup>&</sup>lt;sup>12</sup> R.C. 4507.24(A)(1) and (2).

<sup>&</sup>lt;sup>13</sup> The federally specified positions are any of the following: Motor Transport Operator (88M, Army); PATRIOT Launching Station Operator (14T, Army); Fueler (92F, Army); Vehicle Operator (2T1, Air Force); Fueler (2F0, Air Force); Pavement and Construction Equipment Operator (3E2, Air Force); Motor Vehicle Operator (3531, Marine Corps); and Equipment Operator (E.O., Navy).

<sup>&</sup>lt;sup>14</sup> R.C. 4506.06(C).

<sup>&</sup>lt;sup>15</sup> <u>49 Code of Federal Regulations part 383.77</u>.

<sup>&</sup>lt;sup>16</sup> R.C. 4506.09(D)(1)(a).

Second, the bill expands the scope of activities available to an RTA that its territory includes a county with a population of at least 1.3 million.

#### **Issuance of revenue bonds**

Under continuing law, an RTA may raise money by issuing revenue bonds, levying a sales tax of up to 1.5%, or both. However, under current law, an RTA's revenue bonds can be secured only by fees, charges, or other revenue from a transit facility, or by the RTA's allocation of a sales tax levied by a county.

The bill specifically allows the RTA to issue revenue bonds that are backed by the proceeds of the RTA's own sales tax. If an RTA elects to secure revenue bonds with its sales tax proceeds, the RTA cannot repeal the tax while the bonds are outstanding.<sup>17</sup>

### **COTA scope of activities**

The bill also expands the scope of activities of an RTA with territory that includes a county with a population of at least 1.3 million. The Central Ohio Transit Authority (COTA) is the only RTA that currently meets this criterion.

In addition to existing powers available to all RTAs, the bill allows COTA to do the following:

- Acquire, lease, and construct property in furtherance of "transit-oriented development activities" that provide, promote, or enhance transportation, economic development, housing, recreation, education, governmental operations, culture, or research within COTA's jurisdiction;
- Spend sales tax revenue and other revenue on demand-responsive transportation (e.g., "dial-a-ride"), subscription services, right-of-way improvements, utilities, and communications infrastructure that does not otherwise constitute a "transit facility," or on other nontransit facility infrastructure that has received state or federal funding;
- Dedicate sales tax revenue to fund the construction or maintenance of roads, bridges, greenways, pathways, bikeways, or pedestrian underpasses or overpasses that would not otherwise constitute a "transit facility."

For the latter type of projects, the bill requires that the project be related to the COTA's provision of service, that COTA enter into agreements for such projects with the local governments in its jurisdiction, and that COTA receive approval from the applicable metropolitan planning organization.<sup>18</sup>

#### Toll violations between states

The bill authorizes the Governor, or the Governor's designee, in consultation with the Director of DPS, to enter into reciprocal agreements with other states regarding the enforcement

<sup>&</sup>lt;sup>17</sup> R.C. 306.37.

<sup>&</sup>lt;sup>18</sup> R.C. 306.354.

of motor vehicle toll violations. If entered into, the agreements must pertain to any public toll transportation facility, but may also encompass private toll transportation facilities as well. Additionally, any agreement must include the following:

- 1. That all out-of-state drivers must be given the same benefits, privileges, and exemptions that a state provides to its in-state drivers regarding the enforcement of tolls;
- That refusal of an application for motor vehicle registration or transfer of motor vehicle registration must be one of the enforcement mechanisms for toll violations under the agreement; and
- 3. That any notice sent regarding the toll violations or their enforcement may be sent electronically.<sup>19</sup>

Under current law, the Ohio Turnpike and Infrastructure Commission may notify the Registrar if an Ohio driver refuses to pay a toll owed by that person, and the Registrar must refuse to accept, renew, or transfer that person's application for motor vehicle registration until the toll is paid. Other states often have similar laws for their residents, as well. However, it is sometimes difficult to enforce toll violations committed by out-of-state drivers if those drivers ignore the toll invoices and there is no additional enforcement mechanism in place. Agreements between states to enforce toll violations committed by their residents in another state may potentially reduce those violations. <sup>21</sup>

### **Brent Spence Bridge Project**

The bill authorizes the Director of Transportation to award design/build contracts of up to a total of \$1.5 billion with respect to an Ohio River bridge project (i.e., the Brent Spence Bridge Project). The project may include both of the following:

- 1. The replacement, addition, improvement, or rehabilitation of a bridge or system of bridges over the Ohio River; and
- The replacement, addition, improvement or rehabilitation of roadways providing for the ingress to and egress from the bridge or system of bridges over the Ohio River within Ohio and any adjoining state.

Under current law, the Director has a threshold of \$1 billion for purposes of other combined design/build construction contracts. If the Director will exceed the \$1.5 billion threshold authorized under the bill, the Director must apply to the Controlling Board for that additional contracting authority. The Controlling Board may approve the request at its discretion. The Director also may compensate up to three bidders for their responsive preliminary design

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<sup>&</sup>lt;sup>19</sup> R.C. 5501.441.

<sup>&</sup>lt;sup>20</sup> R.C. 5537.041(C), not in the bill.

<sup>&</sup>lt;sup>21</sup> <u>"Out-of-State Toll Scofflaws Vex State Authorities."</u> Elaine S. Povich. The PEW Charitable Trusts. September 7, 2021. Accessed on May 17, 2022.

concept. The compensation for the design concept may not exceed the cost to develop that concept.

The contracting authority granted by the bill is for purposes of the Ohio Department of Transportation applying for federal funding to assist with the Brent Spence Bridge Project. Any subsequent awards of that funding still need approval by the General Assembly for the specific appropriations.<sup>22</sup>

### **Appropriations**

The bill appropriates supplemental federal funding to the Highway Operating Fund. Additionally, the bill modifies the funding mechanism for a Department of Natural Resources capital project and makes appropriations for the departments of Natural Resources, Public Safety, Veterans Services, and the Ohio History Connection.<sup>23</sup>

#### **HISTORY**

Action	Date
Introduced	06-07-21
Reported, H. Transportation & Public Safety	11-16-21
Passed House (90-1)	12-09-21
Reported, S. Transportation	

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<sup>&</sup>lt;sup>22</sup> R.C. 5517.011.

<sup>&</sup>lt;sup>23</sup> Sections 3 through 11.