

# Ohio Legislative Service Commission

Office of Research and Drafting

Legislative Budget Office

H.B. 578 134<sup>th</sup> General Assembly

# Fiscal Note & Local Impact Statement

Click here for H.B. 578's Bill Analysis

**Version:** As Passed by the House **Primary Sponsor:** Rep. Roemer

Local Impact Statement Procedure Required: No

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# **Highlights**

## **Department of Public Safety**

- The bill creates six specialty license plates.
- For each specialty license plate that satisfies the minimum 150-person registration requirement, then, in its first year, the Bureau of Motor Vehicles (BMV) will: (1) gain at least \$1,500 in fee revenues and (2) incur between \$882 and \$1,085 or more in license plate production costs; the specified recipients will receive at least \$2,250 to \$4,500 in contributions, depending on the amount of the required contribution.
- In subsequent years, the BMV will gain \$10 in fee revenue for each license plate newly issued or renewed, and incur production costs of \$5.88 and \$7.23 for a new single plate and pair of plates issued, respectively.
- The actual BMV fee revenue and cost, as well as contributions to the specified recipients, will depend upon demand in each year.
- A person who applies for one of the bill's specialty license plates must pay additional money, consisting of a \$10 BMV administrative fee and a required contribution of \$15, \$20, \$25, or \$30.
- The bill's specialty license plate provisions will have no direct fiscal effect on political subdivisions.

## **Department of Transportation**

The Ohio Department of Transportation would incur costs of approximately \$850 per set of signs to produce and install signs for most of the 12 designated memorial highways in the bill. In some cases, however, municipalities could incur costs for installing the signs.

# **Detailed Analysis**

## **Department of Public Safety**

## Specialty license plates

The bill creates six specialty license plates that are available to all persons with an eligible vehicle registered in Ohio. A person applying for one of the plates must pay a \$10 Bureau of Motor Vehicles (BMV) administrative fee and a contribution of \$15, \$20, \$25, or \$30 depending on the designated recipient. The bill's specialty license plates, administrative fee requirement, and required contributions and respective recipients are listed in the table below.

Table 1. Specialty License Plates					
Specialty License Plate	BMV Fee	Required Contribution	Contribution Recipient		
"Ohio House Rabbit Rescue"	\$10	\$15	Ohio House Rabbit Rescue		
"P.A.W.S."	\$10	\$25	Progressive Animal Welfare Society Adoption Center, Inc.		
"Recovery is Beautiful"	\$10	\$20	Paid equally to National Alliance on Mental Illness of Ohio (NAMI), Ohio Peer Recovery Organizations (Ohio PRO), and Ohio Citizen Advocates for Addiction Recovery (OCAAR)		
"Revere Local Schools"	\$10	\$25	Revere Schools Foundation		
"Shriners"	\$10	\$15	Antioch Shrine Foundation		
"Stephen T. Badin High School"	\$10	\$30	Stephen T. Badin High School		

#### License plate implementation procedures

Under existing law, the Registrar of Motor Vehicles is not required to implement any legislation that creates a specialty license plate until the Registrar receives written statements from at least 150 persons indicating that they intend to apply for and obtain the license plate (R.C. 4503.78).

#### Production costs and administrative fees

Under current law, a person may elect to purchase either a single plate or pair of plates. The BMV currently produces specialty license plates via a digital print-on-demand process. The cost to produce a single plate is \$5.88. The production cost for a pair is \$7.23.

P a g e | 2 H.B. 578, Fiscal Note

Under the bill, a person obtaining a specialty license plate is required to 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 fee is credited to the Public Safety — Highway Purposes Fund (Fund 5TMO), which is used in part to pay the BMV's expenses related to titling motor vehicles, licensing drivers, and registering motor vehicles.

- For a specialty license plate meeting the minimum 150-person registration requirement, then, in the first year, the annual production costs for the plate will total at a minimum between \$882 (150 persons x \$5.88) and \$1,085 (150 persons x \$7.23), and the administrative fees collected will total at least \$1,500 (150 persons x \$10).
- In subsequent years, the BMV will collect \$10 for each new or renewed license plate. For each new plate issued, the production cost will be \$5.88 and \$7.23 for a single plate and pair of plates, respectively.

#### **License Plate Contribution Fund**

The required contribution paid for the issuance of each of the bill's specialty license plates will be credited to the existing License Plate Contribution Fund (Fund 5V10) and then paid to the organization that is supported by each respective license plate for a specified purpose. The total amount contributed annually will vary based on the required contribution for each specialty license plate, as well as the number of individuals who choose to obtain that plate.

#### "Fallen Lineworker" license plate

The bill:

- Renames the "Fallen Linemen" license plate as the "Fallen Lineworkers" license plate;
- Changes the organization designated to receive the \$10 contributions from the sale of the license plate from the Fallen Linemen Organization to the Community Foundation of Ohio's Electric Cooperatives;
- Adds that the contributions may be used by the Foundation to recognize and memorialize "injured" lineworkers and support their families (rather than to memorialize only "fallen" lineworkers and support their families, as under current law).

There were 538 active "Fallen Linemen" license plates in calendar year 2020.

## **Department of Transportation**

The bill designates 12 new memorial highways on portions of various interstate highways, U.S. routes, and state routes throughout Ohio. Overall, the Ohio Department of Transportation (ODOT) would incur costs of approximately \$850 per set of signs to produce and install signs for most of the designated memorial highways in the bill. Once a set of signs is installed, there are typically no maintenance costs unless the signs are damaged. Signs are usually in need of replacement every 12 to 15 years.

The cost of signage to mark the portion of a highway designated as a memorial is either paid entirely by ODOT or shared between ODOT and the municipal corporation through which the roadway passes. ODOT pays for all of the signage production costs. However, the installation costs may be borne by municipalities, depending on where the designated portion of highway begins and ends. ODOT pays installation costs for signs to be located outside of municipal boundaries, as well as the signs on all interstate routes. If a memorial highway begins or ends within a municipal

P a g e | **3** H.B. 578, Fiscal Note

corporation, then the city or village is responsible for installing the signage within their jurisdiction. In cases where only a portion of a designated memorial highway resides in a municipal corporation, ODOT and the city or village may share the installation costs. The table below summarizes these memorial designations in the order that they appear in the bill, including the location of the highway and the entity responsible for paying signage installation costs.

Table 2. Memorial Highway and Bridge Designations in H.B. 578					
Designation	Roadway	County	Entity or Entities Responsible for Installation Cost		
Ohio State Highway Patrol MCEI Kimra Skelton Memorial Highway	Interstate Route 75	Miami	ODOT		
Captain "Smokey" Carl Edward Summers Memorial Highway	U.S. Route 42	Medina	ODOT		
Sheriff Fredrick J. Abdalla Memorial Highway	State Route 7	Jefferson	Village of Stratton		
Robert E. Turney Memorial Highway	U.S. Route 36	Tuscarawas	ODOT		
Specialist Ronald Gene Johnson Memorial Overpass	U.S. Route 250	Tuscarawas	City of Uhrichsville		
Veterans Legacy Highway	State Route 44	Geauga	ODOT		
Putnam County Veterans Memorial Highway	U.S. Route 224	Putnam	ODOT		
Sgt. Kevin J. Lannon Memorial Way and Sgt. Cameron H. Thomas Memorial Way	State Route 48	Montgomery	City of Kettering		
Teresa Miller-Martin 9/11 Memorial Highway	State Route 19	Sandusky	ODOT		
Lester and Mary Oeder Memorial Highway	U.S. Route 22	Warren	ODOT		
Clarence "Sonny" Smith, Jr. Highway	State Route 7	Mahoning	ODOT		
Dr. Steven Takacs Memorial Highway	State Route 87	Geauga	ODOT		

HB0578HP/zg

Page | 4