

# Ohio Legislative Service Commission

Office of Research and Drafting

Legislative Budget
Office

H.B. 557 134<sup>th</sup> General Assembly

# Fiscal Note & Local Impact Statement

Click here for H.B. 557's Bill Analysis

**Version:** As Reported by House Transportation and Public Safety

**Primary Sponsors:** Reps. Blackshear and K. Smith **Local Impact Statement Procedure Required:** No

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# **Highlights**

- Assuming the demand for the "Paul Laurence Dunbar" specialty license plate 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 Ohio History Connection will receive at least \$1,500 in contributions.
- 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 Ohio History Connection, will depend upon demand in each year.
- A person who applies for the "Paul Laurence Dunbar" specialty license plate must pay additional money, consisting of a \$10 BMV administrative fee and a contribution of \$10.
- The bill will have no direct fiscal effect on any of the state's political subdivisions.

## **Detailed Analysis**

# "Paul Laurence Dunbar" license plate

The bill creates the "Paul Laurence Dunbar" license plate that is available to all persons with an eligible vehicle registered in Ohio. A person applying for the plate must pay a \$10 Bureau of Motor Vehicles (BMV) administrative fee and a \$10 contribution to the Ohio History Connection.

"Paul Laurence Dunbar" Specialty License Plate			
Specialty License Plate	BMV Fee	Required Contribution	Contribution Recipient
Paul Laurence Dunbar	\$10	\$10	Ohio History Connection

### 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 special 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.

Under the bill, a person obtaining the "Paul Laurence Dunbar" 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.

- Assuming the license plate satisfies 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.

# **Ohio History Connection**

The \$10 contribution paid for the issuance of the "Paul Laurence Dunbar" license plate will be credited to the existing License Plate Contribution Fund (Fund 5V10), and then paid to the Ohio History Connection for the benefit of the Paul Laurence Dunbar House.

- Assuming the license plate satisfies the minimum 150-person registration requirement, then, in the first year, the Ohio History Connection will receive at least \$1,500 (150 persons x \$10 contribution).
- In subsequent years, the Ohio History Connection will collect \$10 for each new or renewed license plate.

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