

# OHIO LEGISLATIVE SERVICE COMMISSION

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# **Fiscal Note & Local Impact Statement**

**Bill:** S.B. 134 of the 132nd G.A. **Status:** As Enacted

Sponsor: Sen. Gardner Local Impact Statement Procedure Required: No

Subject: Designates various memorial highways and creates various license plates

# State & Local Fiscal Highlights

### **Memorial highways**

• The Ohio Department of Transportation (ODOT) will incur new costs of a few thousand dollars to the Highway Operating Fund (Fund 7002) to produce and install signs marking the 26 designated memorial highways and bridges under the bill. For designations on roads that begin or end inside of a municipal boundary, the city or village will incur minimal costs to install the signage, while for all other designations ODOT bears all the costs of the memorial. The cost to manufacture and install a single set of flatsheet signs along a designated roadway is approximately \$350 to \$400.

## License plates

- The annual license plate production costs for six of the bill's 21 special license plates will total up to \$912 or more for each plate. The related \$10 administrative fee collected for each of those six plates will total up to \$1,500 or more annually. The administrative fees will be credited to the existing Public Safety Highway Purposes Fund (Fund 5TM0), which the Bureau of Motor Vehicles (BMV) uses to defray the cost of manufacturing and distributing license plates and stickers, and to cover the cost of motor vehicle registration.
- For the 15 of the 21 special license plates without a minimum registration requirement, BMV's annual license plate production costs will total \$6.08 for each pair issued. All of these plates except the "Ohio National Guard Ohio Cross" and the "Line of Duty Sacrifice" license plates require the \$10 BMV administrative fee.
- Eighteen of the 21 special license plates require payment of a specified contribution, to be credited to the state's 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 special license plate, as well as the number of individuals who choose to obtain that plate.

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- One of the 21 special license plates (the "Post-Traumatic Stress" license plate) requires a contribution of \$40 to be credited to the Post-Traumatic Stress License Plate Contribution Fund, which is created by the bill and to be administered by the Department of Mental Health and Addiction Services for the purpose of awarding grants. The total amount contributed annually will depend upon demand for the license plate, which is uncertain.
- The bill's license plate provisions have no direct fiscal effect generally on the state's political subdivisions.

# **Detailed Fiscal Analysis**

### **Memorial highways**

The bill designates 26 new memorial highways and bridges on portions of various interstate highways, U.S. routes, state routes, and other roads throughout Ohio. Table 1 on the following page summarizes these memorial designations in the order that they appear in the bill, including the location of the highway and the government entity responsible for paying signage installation costs.

The cost of signage to mark the portion of a highway designated as a memorial is paid either entirely by the Ohio Department of Transportation (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 that are to be located outside of municipal boundaries, as well as the signs on all interstate routes. ODOT's expenditures will be paid from the Highway Operating Fund (Fund 7002). In cases where the designation begins or ends inside of a municipal corporation, the city or village is then responsible for installing the signage inside their boundaries. 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.

Overall, ODOT and the associated municipalities would incur costs of a few hundred dollars to produce and install signs on each of the designated memorial highways in the bill. According to ODOT, the cost to manufacture and install a single set of flatsheet signs at one location is approximately \$350 to \$400, depending on sign size and equipment needed. 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. When a highway or bridge is designated as a memorial, ODOT's policy is to install a marker in a rest area, scenic overlook, recreational area, or other appropriate location. Alternatively, a marker is installed along the highway or near the bridge instead. Two markers are usually installed, one in each direction at each location.

Table 1. Memorial Highway and Bridge Designations						
Designation	Route	County (Municipality, if Applicable)	Entity Responsible for Installation Costs			
Lt Col Thomas P. Belkofer Memorial Highway	SR-795	Wood (Perrysburg)	ODOT and City of Perrysburg			
Poland Township Police Officer Charles K. Yates Memorial Highway	US-224	Mahoning	ODOT			
Poland Township Police Officer Richard E. Becker Memorial Highway	SR-170	Mahoning	ODOT			
Michael J. Aselage Memorial Highway	SR-705	Shelby (Fort Laramie)	ODOT and Village of Fort Laramie			
Toledo Firefighters J. Dickman and S. Machcinski Memorial Highway	I-75	Lucas (Toledo)	ODOT			
Captain Michael Palumbo Memorial Highway	I-70	Franklin (Columbus)	ODOT			
Patrolman Jason Gresko Memorial Highway	SR-91	Lake (Willoughby)	City of Willoughby			
Carl and Louis Stokes Opportunity Corridor	Planned Boulevard	Cuyahoga (Cleveland)	City of Cleveland			
Harry Meshel Memorial Highway	US-422	Mahoning (Youngstown)	City of Youngstown			
Ralph Regula Memorial Highway	US-30	Wayne	ODOT			
Sgt. Jordan Marshall Memorial Highway	SR-19	Ottawa (Oak Harbor)	ODOT and Village of Oak Harbor			
Ohio Valley Veterans Memorial Highway	SR-7	Belmont	ODOT			
Sergeant James F. Allen III Memorial Highway	SR-261	Medina and Summit (Wadsworth and Norton)	ODOT, City of Wadsworth, City of Norton			
Lance Corporal Christopher J. Dyer USMC, Lima Co, 3/25 Marines Memorial Highway	I-75	Hamilton (Evendale and Sharonville)	ODOT			
Army Specialist Danny Raymond King Memorial Highway	SR-32	Brown and Highland	ODOT			
Staff Sergeant Paul C. Mardis Jr. Memorial Highway	SR-16	Coshocton (Coshocton)	ODOT and City of Coshocton			
SGT David Sexton Memorial Highway	SR-61	Erie (Berlin Heights)	Village of Berlin Heights			
SGT Glen Millinger Memorial Highway	Benton- Carroll Road	Ottawa	ODOT			
Army Specialist David Lee Bingamon Memorial Highway	US-68	Brown	ODOT			
Women Veterans Bridge	SR-11	Mahoning	ODOT			
American Legion Highway	SR-703	Mercer and Auglaize (Celina and St. Marys)	City of Celina and City of St. Marys			
Private First Class Donald E. Byrum Memorial Highway	SR-118	Darke	ODOT			
U.S. Air Force Staff Sergeant Yvonne Marie Fair Memorial Highway	SR-7	Jefferson (Raymond)	ODOT and Village of Raymond			
Officer Bill Johnson Memorial Highway	SR-73	Warren (Springboro)	City of Springboro			
Roy Rogers Happy Trails Memorial Highway	SR-348	Scioto (Otway)	ODOT and Village of Otway			
Frank Watson Memorial Highway	I-680	Mahoning (Youngstown)	ODOT			

#### Memorial picnic area

Besides the roads and bridges designated above, the bill designates the Henry T. Beatty Memorial Picnic Area in Kelleys Island State Park. Specifically, the bill designates the picnic area located northwest of the intersection of Titus Road and Division Street within the state park. The bill authorizes the Chief of the Division of Parks and Watercraft within the Department of Natural Resources to erect suitable markers in the picnic area indicating its name. If the Chief chooses to erect such markers, the Division would incur costs to procure and install them. Costs could range from a few hundred dollars up to a few thousand dollars, depending on the materials and design chosen for the markers.

## Special license plates

The bill creates 21 special license plates and generally requires a person obtaining one of those plates to pay both of the following: (1) a contribution ranging from \$10 to \$40 that the Registrar of Motor Vehicles is required to pay to the specified recipient for each special license plate, and (2) a \$10 BMV administrative fee. Certain military license plates do not require a contribution and generally are exempt from the additional BMV administrative fee. The bill's special license plates, administrative fee requirement, and their required contributions and respective recipients are listed in Table 2 below.

Table 2. Special License Plates					
Special License Plate	BMV Fee	Required Contribution	Contribution Recipient		
Cincinnati City School District*	\$10	\$10	Cincinnati City School District		
Cuyahoga Heights Schools*	\$10	\$30	Cuyahoga Heights Local School District		
Cuyahoga Valley Career Center*	\$10	\$30	Cuyahoga Valley Career Center		
Gold Ribbon Awareness	\$10	\$15	The Research Institution for Childhood Cancer at Nationwide Children's Hospital		
Hudson City Schools*	\$10	\$30	Hudson City School District		
Kenston Local Schools*	\$10	\$30	Kenston Local School District		
KylerStrong Foundation	\$10	\$15	KylerStrong Foundation		
Line of Duty Sacrifice*	None	None	Not Applicable		
Lions Club	\$10	\$15	Ohio Lions Foundation		
Medina County	\$10	\$15	Medina County Historical Society		
North Royalton City Schools*	\$10	\$30	North Royalton City School District		
Ohio National Guard Ohio Cross*	None	None	Not Applicable		
Ottawa National Wildlife Refuge	\$10	\$20	Ottawa National Wildlife Refuge		
Padua Franciscan High School*	\$10	\$30	Padua Franciscan High School		
Pelotonia	\$10	\$15	Pelotonia		
Post-Traumatic Stress*	\$10	\$40	Department of Mental Health and Addiction Services		
St. Xavier High School*	\$10	\$30	St. Xavier High School		
Stow-Munroe Falls City Schools*	\$10	\$30	Stow-Munroe Falls City School District		
Twinsburg City Schools*	\$10	\$30	Twinsburg City School District		

Table 2. Special License Plates					
Special License Plate	BMV Fee	Required Contribution	Contribution Recipient		
Walsh Jesuit High School*	\$10	\$30	Walsh Jesuit High School		
West Technical High School Alumni*	\$10	\$20	West Technical High School Alumni Association		

<sup>\*</sup>Existing specialty license plate implementation and termination procedures do not apply.

#### State fiscal effects

#### **Bureau of Motor Vehicles**

The BMV currently produces special license plates via a digital print-on-demand process. The total cost to produce a pair of these plates is \$6.08. Under the bill, a person obtaining a special license plate generally must pay an administrative fee of \$10, the purpose of which is to compensate the BMV for additional services required in issuing the plate. Assuming, as described in the paragraph immediately below, that each plate with a minimum registration requirement of 150 persons meets that requirement, then the annual production costs for each of those plates will total around \$912 (150 persons x \$6.08) and the administrative fees collected will total at least \$1,500 (150 persons x \$10) for each plate that requires the additional BMV administrative fee. The fee will be credited to the existing Public Safety – Highway Purposes Fund (Fund 5TM0), $^1$  which the BMV uses in part to defray the cost of manufacturing and distributing license plates and stickers, and to cover the cost of motor vehicle registration.

Under existing law, six of the bill's 21 license plates will be subject to the minimum registration requirement generally applicable to special license plates and to termination and revival procedures. For example, the BMV Registrar is not required to implement any legislation that creates a new license plate until the Registrar receives written statements from at least 150 persons indicating that they intend to apply for and obtain the special license plate (R.C. 4503.78). If, during any calendar year, the total number of new and renewal motor vehicle registrations involving such a nonstandard license plate totals less than 25, the issuance of that license plate may cease as of December 31 of the following year (R.C. 4503.77).

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

If required, the contribution paid for the issuance of the bill's special license plates will be deposited into 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

<sup>&</sup>lt;sup>1</sup> The Public Safety – Highway Purposes Fund (Fund 5TM0) was created in H.B. 26 of the 132nd General Assembly to consolidate the existing State Bureau of Motor Vehicles Fund (Fund 4W40), State Highway Safety Fund (Fund 7036), Highway Safety Salvage and Exchange Administration Fund (Fund 8300), and Highway Safety Salvage and Exchange Highway Patrol Fund (Fund 8410). Fund 5TM0 became effective on July 1, 2017.

required contribution for each special license plate, as well as the number of individuals who choose to obtain that plate.

#### **Post-Traumatic Stress License Plate Contribution Fund**

The \$40 contribution paid for the issuance of the "Post-Traumatic Stress" license plate will be credited to the Post-Traumatic Stress License Plate Contribution Fund, which the bill creates. The bill: (1) requires the contributions to be used by the Director of Mental Health and Addiction Services or the Director's designee to issue grants to nonprofit organizations that help victims of violence recover from post-traumatic stress, and (2) requires those grant recipients to use the grants to provide services to such victims. The amount of revenue generated for the Post-Traumatic Stress License Plate Contribution Fund will depend upon demand for the license plate, which is uncertain.

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