

# Ohio Legislative Service Commission

Office of Research and Drafting

Legislative Budget Office

H.B. 291 (l\_134\_0963-4) 134<sup>th</sup> General Assembly

# Fiscal Note & Local Impact Statement

Click here for H.B. 291's Bill Analysis

**Version:** In House Transportation and Public Safety

Primary Sponsors: Reps. Callender and Troy

Local Impact Statement Procedure Required: No

Tom Wert, Senior Budget Analyst

# **Highlights**

#### **Memorial highways**

The Ohio Department of Transportation would incur costs of approximately \$500 per set of signs to produce and install signs for most of the 24 designated memorial highways and bridges in the bill. In some cases, however, municipalities would incur costs for installing the signs.

## Specialty license plates

- The bill creates seven new specialty license plates, which are subject to current law's minimum registration requirement of 150 applicants for the first year.
- For each new specialty license plate where demand reaches the minimum 150-person registration requirement 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 designated recipient organization will receive, depending upon the amount of the required contribution, a minimum of between \$3,000 and \$4,500.
- In subsequent years, the BMV will gain \$10 in fee revenue for each specialty license plate 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 amount paid to a recipient organization will depend on the number of persons obtaining the plate for which it is the designated recipient.
- The actual BMV fee revenue and cost, as well as contributions for each specialty license plate, will depend upon demand for each license plate 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 contribution of \$20, \$25, or \$30 depending on the recipient organization.
- The bill will have no direct fiscal effect on any of the state's political subdivisions.

# **Detailed Analysis**

## **Memorial highways**

The bill designates 24 new memorial highways and bridges 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 \$500 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 paid either 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 inside of a municipal 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.

Memorial Highway and Bridge Designations in H.B. 291				
Designation	Roadway	County	Entity or Entities Responsible for Installation Cost	
Crooksville Firefighters David Theisen and Stephen Carletti Memorial Highway	State Route 93	Perry	ODOT	
Deputy Bill Brewer Memorial Highway	State Route 32	Clermont	ODOT	
Officer Kaia L. Grant Memorial Highway	Interstate Route 275	Hamilton	ODOT	
Deputy Sheriff Emil Kleinwaechter Memorial Highway	U.S. Route 50	Hamilton	Village of Terrace Park	

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Memorial Highway and Bridge Designations in H.B. 291				
Designation	Roadway	County	Entity or Entities Responsible for Installation Cost	
Deputy Sheriff Bill Bender and Trooper Randy Bender Memorial Highway	State Route 309	Marion	ODOT	
Officer Anthony Dia Memorial Highway	State Route 184	Lucas	City of Toledo	
Officers Dennis Bennington and Robert Seiffert Memorial Highway	Interstate Route 71	Hamilton	ODOT	
Officer Brandon Stalker Memorial Highway	State Route 184	Lucas	ODOT	
Officer Ciera N. Greene Memorial Highway	State Route 123	Warren	ODOT	
Don Manning Memorial Bridge	State Route 164 (bridge over I-680)	Mahoning	ODOT	
Army Sergeant Patrick Ryan Carroll Memorial Highway	State Route 162	Huron	ODOT	
SSG Kyle R. McKee Memorial Highway	State Route 86	Lake	ODOT	
Army Sgt. Vernon R. Judd Memorial Highway	County Road 321	Stark	ODOT	
Sgt. Thomas Cole Walker Memorial Bridge	State Route 7 (spanning West Branch Conneaut Creek)	Ashtabula	City of Conneaut	
Air Force 2 <sup>nd</sup> Lt. William Vaughan Memorial Bridge	State Route 46 (spanning I-80)	Mahoning	ODOT	
Adams County Vietnam Veterans Memorial Highway	U.S. Route 52	Adams	Village of Manchester	
CPL Benjamin C. Dillon, RLTW, Memorial Highway	Interstate Route 76	Portage	ODOT	
Lake Township Veterans Memorial Highway	State Route 795	Wood	ODOT	

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Memorial Highway and Bridge Designations in H.B. 291				
Designation	Roadway	County	Entity or Entities Responsible for Installation Cost	
SGT Joseph P. Collette Memorial Highway	State Route 158	Fairfield	ODOT	
SFC Ron Rosser Medal of Honor Recipient Memorial Highway	Interstate Route 70	Licking	ODOT	
U.S. Army Specialist Christian D. Ward Memorial Highway	State Route 60	Washington	ODOT	
Charles Woodson Way	U.S. Route 20	Sandusky	City of Freemont	
Steven Lowell Cook Memorial Highway	State Route 800	Belmont	ODOT	
William "Bill" Burgett Memorial Highway	State Route 13	Knox	ODOT	

# **Specialty license plates**

The bill creates seven specialty license plates available to all persons with an eligible vehicle registered in Ohio. A person applying for such a plate must pay: (1) a \$10 Bureau of Motor Vehicles (BMV) administrative fee, and (2) a contribution ranging from \$20 to \$30. The table below summarizes each plate by name, including the contribution amount and recipient organization.

Specialty License Plates			
Special License Plate	BMV Fee	Required Contribution	Contribution Recipient
Circleville Pumpkin Show	\$10	\$25	Circleville Pumpkin Show, Inc.
Keep Ohio Beautiful	\$10	\$20	Keep Ohio Beautiful, Inc.
Little Brown Jug	\$10	\$20	Little Brown Jug Society
Loyal Order of the Moose	\$10	\$20	Ohio Chapter of the Loyal Order of the Moose
Marshall University	\$10	\$30	Marshall University
The Ohio Aerospace Institute	\$10	\$25	Ohio Aerospace Institute
University of Alabama	\$10	\$30	University of Alabama

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#### License plate implementation and termination procedures

Under existing law, the Registrar of Motor Vehicles is not required to implement any legislation that creates a new 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).

Under existing law, specialty license plates are also generally subject to related termination and revival procedures that allow the Registrar to terminate a specialty license plate administratively if a minimum of 25 license plates of a particular type are not issued annually (R.C. 4503.77). However, effective June 30, 2021, H.B. 74 of the 134<sup>th</sup> General Assembly eliminates these statutory termination and revival procedures.

#### Production costs and administrative fees

Effective July 1, 2020, H.B. 62 of the 133<sup>rd</sup> General Assembly replaced the two license plate requirement that was previously in effect for most motor vehicles, including passenger cars, with a single license plate requirement. 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.

A person obtaining a special license plate under the bill 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 5TM0), which is used in part to pay the BMV's expenses related to titling motor vehicles, licensing drivers, and registering motor vehicles. The actual BMV fee revenue and cost for each special license plate will depend upon demand for each license plate each year.

- Assuming a new specialty license plate satisfies the minimum 150-person registration requirement, then, in the first year, the annual production costs for that 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 and renewed specialty license plate. For each new plate issued, the production cost will be \$5.88 and \$7.23 for a single and pair, 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 designated recipient organization. The amount paid annually to such an organization will depend on the number of persons obtaining the plate for which it is the designated recipient.

# **Synopsis of Fiscal Effect Changes**

## Specialty license plates

The substitute version of the bill (I\_134\_0963-4) creates seven specialty license plates. The plates, administrative fee requirement, and their required contributions and respective recipient organizations are listed in the table below. The actual BMV fee revenue and cost, as well as contributions for each plate, will depend upon demand for each plate in each year.

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Specialty License Plates			
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Loyal Order of the Moose	\$10	\$20	Ohio Chapter of the Loyal Order of the Moose
Marshall University	\$10	\$30	Marshall University
The Ohio Aerospace Institute	\$10	\$25	Ohio Aerospace Institute
University of Alabama	\$10	\$30	University of Alabama

## **Memorial highways**

The substitute version adds 24 additional memorial highway and bridge designations. For most of these, ODOT will incur costs of approximately \$500 per set of signs to produce and install signs along the designated route. Of the additional highway and bridge designations added by the substitute version, five of the designations are within the boundaries of municipal corporations, one of which designates a portion of a county highway. These designations will result in minimal costs to install signs for the municipalities noted in the table above.

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