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Office of Research
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Office

S.B. 68
133rd General Assembly

Fiscal Note & Local Impact Statement

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Version: As Reported by Senate Local Government, Public Safety, & Veterans Affairs

Primary Sponsor: Sen. Williams

Local Impact Statement Procedure Required: No

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Highlights

- The Bureau of Motor Vehicles (BMV) will incur one-time, likely no more than minimal, costs to establish a reinstatement fee waiver program. The costs for the BMV to operate that program are uncertain and will depend on the number of applicants.
- The costs of any additional work for municipal and county courts to monitor compliance with community service programs and perform other related tasks is indeterminate, as the frequency with which a presiding judge will permit community service in lieu of driver's license reinstatement fees is uncertain.
- The bill may result in a loss of reinstatement fee revenue generated and primarily deposited to the credit of the Public Safety – Highway Purposes Fund (Fund 5TM0) if reinstatement fee waivers are granted to indigent persons, or if courts authorize offenders to complete community service in lieu of payment of driver's license reinstatement fees, the annual magnitude of which is uncertain.
- The bill may reduce the number of driving under suspension citations issued, which could create an expenditure savings effect for: (1) the courts and clerks of courts that process these matters and (2) the Bureau of Motor Vehicles, which administers the license suspension system. Fewer citations could mean a related loss in fines, fees, and court costs retained by counties and municipalities, as well as court costs forwarded to the state. Any expenditure savings and revenue loss would be minimal at most annually.

Detailed Analysis

The bill: (1) requires the Bureau of Motor Vehicles (BMV) to establish a reinstatement fee waiver program and (2) authorizes a municipal or county court to allow an offender to perform community service in lieu of payment of driver's license reinstatement fees when the court determines the offender cannot reasonably pay those fees. Under current law,

reinstatement fees are required in order to reinstate the driver's license of an offender under a license suspension; however, the court may establish an installment payment plan or payment extension plan for an offender who cannot pay those fees. From a fiscal perspective, the bill may result in: (1) a workload increase for courts that exercise this authority, (2) an indeterminate decrease in license reinstatement fee revenue, and (3) a reduction in fine revenue and court costs related to driving under suspension citations.

Bureau of Motor Vehicles

The BMV will incur one-time, likely no more than minimal, costs to establish a fee waiver program for indigent persons to apply for and receive a waiver of all reinstatement fees. According to the Department of Public Safety, the bill's fee waiver program would likely be modeled, at least in part, after the Reinstatement Fee Amnesty Initiative enacted by H.B. 336 of the 132nd General Assembly that is in effect from January 31, 2019 until July 31, 2019. The cost for the BMV to process applications, including making determinations as to whether or not the person is indigent based on the bill's definition, will depend on the number of people who submit applications for the fee waiver.

County and municipal court workloads

To the extent that a given court chooses to utilize its authority to grant community service, the court may experience some increase in administrative costs, as court personnel will need to monitor compliance, establish service plans, process paperwork, and perform other related tasks. Considering this option would be exercised at the discretion of the presiding judge, the frequency with which community service requests would be granted is likely to vary from jurisdiction to jurisdiction. Presumably, this would be dependent on the circumstances of a case and the court's ability to absorb the increase in workload.

Revenue loss

License reinstatement fees

The bill could have a negative, but indeterminate, fiscal impact on the state due to a decrease in the amount of license reinstatement fee revenue collected annually, as an unknown number of offenders may be eligible for and subsequently granted a fee waiver or community service in lieu of payment. In addition to the number of requests granted, the magnitude of any loss experienced would also depend on the fee amount associated with the suspension for which community service was granted in lieu of payment. A precise estimate is problematic to calculate, as an unknown number of requests granted may involve offenders who would have not otherwise paid the reinstatement fee. Reinstatement fees range from \$15 to \$650 depending on the type of suspension. These fees are generally deposited into the state treasury to the credit of the Public Safety – Highway Purposes Fund (Fund 5TMO).¹

In Ohio, the most common type of suspension relates to noncompliance, or failure to show proof of insurance at a traffic stop or accident, which accounted for 1,291,905, or nearly 39%, of the total number (3,293,740) of statewide suspensions in calendar year 2017. The

¹ In addition to a contribution to Fund 5TMO, the reinstatement fee for certain license suspensions may be distributed to other funds as required by statute.

reinstatement fee for this type of suspension is \$100 for the first offense and up to \$600 for each subsequent violation.

Fines for driving under suspension

As a result of the bill, some drivers who would have opted to drive under suspension if unable to pay their reinstatement fee would not be doing so if given the opportunity to perform community service in lieu of payment or had their reinstatement fee waived by the BMV. The result will be some reduction in the number of driving under suspension citations issued.

Driving under suspension or in violation of a license restriction is generally a first degree misdemeanor, subject to a fine of up to \$1,000, a jail term not to exceed 180 days, or both. Any resulting decrease in citations issued creates a potential expenditure savings effect for the courts and clerks of courts that process these matters, as well as the Bureau of Motor Vehicles that administers the license suspension system. Fewer subsequent convictions would mean a related loss in fine, fee, and court cost revenue retained by counties and municipalities, as well as statutorily required court costs that are forwarded to the state. Any expenditure savings and revenue loss resulting from a decrease in driving under suspension citations would be minimal at most annually.