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H.B. 688
133rd General Assembly

Fiscal Note & Local Impact Statement

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Version: As Reported by House Transportation and Public Safety

Primary Sponsor: Rep. Carruthers

Local Impact Statement Procedure Required: No

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Highlights

- The bill creates three nonstandard public high school license plates: “Fairfield Senior High School,” “Ross High School,” and “Hamilton High School.”
- For each of the three public high school license plates where demand reaches the minimum threshold of 150 plates, the Bureau of Motor Vehicles (BMV) will: (1) gain at least \$1,500 in fee revenues and (2) incur at least \$615 in license plate production costs. Each of the public high schools reaching the minimum threshold will receive at least \$4,500 in contributions.
- Beginning in the second year, for each of the three public high school license plates that stay in circulation, the BMV will gain at least \$250 in fee revenues and incur \$4.10 in costs for each new set issued. Each of the public high schools with a license plate that stays in circulation will receive at least \$750 in contributions.
- The actual BMV fee revenue and cost, as well as contributions received by the three public high schools, will depend upon demand for each license plate each year.
- Each license plate is subject to the minimum registration requirements of 150 applicants for the first year and 25 applicants annually thereafter.
- A person who applies for one of the bill’s license plates is required to pay \$40 in additional money, consisting of a \$10 BMV administrative fee and a \$30 contribution for the respective high school.
- With the exception of the three above-noted public high schools, the bill will have no direct fiscal effect on any other political subdivisions.

Detailed Analysis

Public high school license plates

The bill creates three nonstandard license plates that are available to all persons with an eligible vehicle registered in Ohio. As summarized in the table below, a person applying for a plate must pay: (1) a \$10 Bureau of Motor Vehicles (BMV) administrative fee, and (2) a \$30 contribution for the appropriate high school.

Public High School License Plates			
Special License Plate	BMV Fee	Required Contribution	Contribution Recipient
Fairfield Senior High School	\$10	\$30	Fairfield Senior High School
Hamilton High School	\$10	\$30	Hamilton High School
Ross High School	\$10	\$30	Ross High School

License plate implementation and termination procedures

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

Production costs and administrative fees

The BMV currently produces nonstandard license plates via a digital print-on-demand process. The total cost to produce a pair of these plates is \$4.10.¹ Under the bill, a person obtaining one of the public high school license plates must 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 fees will be 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.

¹ Effective July 1, 2020, H.B. 62 of the 133rd General Assembly replaces the two license plate requirement that is currently in effect for most motor vehicles, including passenger cars, with a single license plate requirement. As a result, special license plate production costs may decrease by some amount.

- For each license plate that satisfies the minimum 150-person registration requirement, then, in the first year, the annual production costs will total \$615 (150 persons x \$4.10) and the administrative fees collected will total \$1,500 (150 persons x \$10).
- For each license plate in subsequent years that satisfies the minimum 25-person registration requirement (new and renewals), the administrative fees collected will total \$250 (25 persons x \$10). The annual production costs for each license plate will total \$4.10 for each new set issued.

Contributions

The required \$30 contribution paid for the issuance of each of the nonstandard license plates will be credited to the existing License Plate Contribution Fund (Fund 5V10) and then paid to the high school supported by each respective plate. The total amount contributed to the high schools annually will depend upon the number of persons who choose to obtain each license plate. The bill prohibits the contribution received by each high school from being used for political purposes.

- For each license plate that satisfies the minimum threshold, then, in its first year, the plate will generate \$4,500 (150 applicants x \$30 contribution) in contributions for the high school supported by that plate.
- For each license plate in subsequent years that satisfies the minimum 25-person registration requirement (new and renewals), the plate will generate \$750 (25 applicants x \$30 contribution) for the high school supported by that plate.