



www.lsc.ohio.gov

OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

S.B. 68
(I_133_0080-5)
133rd General Assembly

Fiscal Note & Local Impact Statement

[Click here for S.B. 68's Bill Analysis](#)

Version: In House Criminal Justice

Primary Sponsor: Sen. Williams

Local Impact Statement Procedure Required: No

Maggie West, Senior Budget Analyst

Highlights

Reinstatement fee waiver program

- The Bureau of Motor Vehicles (BMV) will incur one-time, likely no more than minimal, costs to establish a reinstatement fee waiver program. The ongoing annual costs for the BMV to operate the program 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 5TMO) 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 BMV, 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.

Eight-year identification cards and driver's licenses

- The potential fiscal effects on the BMV can be summarized in the following manner. For each individual that opts for an eight-year identification card or driver's license, there is a \$1 loss in renewal fee revenue, a \$1.86 decrease in card or license production and

distribution costs, and a resulting net expenditure savings of 86¢. The magnitude of any net savings will depend upon the number of individuals who ultimately elect to obtain an eight-year card or license.

Police and driver interaction education

- The Department of Education may incur minimal costs to develop a model curriculum for instruction in grades 9-12 on proper interactions with peace officers.
- Public districts and schools may incur minimal costs to update their high school curriculum to provide the required instruction on proper interactions with peace officers.
- The bill's training requirements are not expected to create additional costs for state or local law enforcement agencies, as the existing basic training curriculum satisfies the requirements and the number of continuing professional training hours that may be set by the Ohio Peace Officer Training Commission, based on availability of funds for reimbursement, are unchanged.

Bureau of Motor Vehicles procedural changes

- The bill's BMV policy and procedural changes will generally result in efficiencies for the Registrar of Motor Vehicles and deputy registrars. To the extent that any additional costs are incurred, they are likely to be minimal or offset by a corresponding fee.

Orthotics and prosthetics licensure

- The Ohio Occupational Therapy, Physical Therapy, and Athletic Trainers Board may incur additional administrative costs to adopt rules establishing requirements for an applicant with unique and exceptional qualifications to be eligible for an orthotics, prosthetics, or orthotics and prosthetics license.

Detailed Analysis

Reinstatement fee waiver program

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.

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 was in effect from January 31, 2019 until July 31, 2019. The ongoing annual 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's waiver program could have a negative, but indeterminate, fiscal impact on the state due to a decrease in fee revenue collected annually, the magnitude of which will depend on the number of offenders 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, or the fee was waived. 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 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 waiver program, 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 BMV that administers the license suspension system. Fewer subsequent convictions would mean a related loss in fine, fee, and

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.

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.

Eight-year identification cards and driver's licenses

The bill, beginning July 1, 2021:

- Authorizes a person between 21 and 65 to apply for and renew an Ohio commercial driver's license, driver's license (motor vehicles and motorcycles), a motorcycle operator's endorsement, or a motorized bicycle license on an eight-year renewal cycle; and
- Authorizes a person, regardless of age, to request and renew an Ohio identification card on an eight-year renewal cycle.

The current renewal cycle for each is four years. The bill makes the cost of an eight-year license or card twice the cost of a four-year license or card, minus \$1.

These provisions may produce three state fiscal effects. First, there may be an initial increase in the amount of revenue generated by state identification cards and driver's licenses, since an individual who elects to obtain an eight-year card or license would be paying the required fee at the beginning of the eight-year period as opposed to splitting the payment over two four-year periods. Essentially, for each eight-year card or license issued, the BMV would collect money four years earlier than it otherwise would have under current law.

The second state fiscal effect would be a longer term decrease in the amount of state identification card and driver's license revenue collected and available for use by the BMV. Since the bill sets the fee for an eight-year card or license at double the amount of a four-year card or license, minus \$1, the BMV would ultimately collect a lesser amount from those cards and licenses than they would have otherwise collected for two four-year cards or licenses under current law. Since the card or license under current law is valid for a four-year period, the BMV would not begin to experience effects from any decrease in card and license revenue until the fifth year of an eight-year renewal cycle.

The amount of any initial increase or eventual decrease in fee revenue noted in the preceding two paragraphs will depend upon the number of individuals who elect to obtain an eight-year card or license.

The third state fiscal effect would be a potential savings in state identification card and driver's license production and distribution costs that would occur in the fifth year of an eight-year renewal cycle. Currently, the BMV issues a new card or license to individuals every four years. For each eight-year card or license issued under the bill, the BMV would experience a savings in production and distribution costs because of not having to issue a new card or license when they otherwise would have under current law. The cost for the BMV to produce and distribute a state identification card or driver's license is \$1.86 per card or license. The amount of any potential savings in production and distribution costs experienced by the BMV will depend upon the number of individuals who elect to obtain an eight-year card or license.

The result of the three above-described potential state fiscal effects on the BMV can be summarized in the following manner. For each individual that opts for an eight-year identification card or driver's license, there is a \$1 loss in renewal fee revenue, a \$1.86 decrease

in card or license production and distribution costs, and a resulting net expenditure savings of 86¢. The magnitude of any net savings will depend upon the number of individuals who ultimately elect to obtain an eight-year card or license.

Public Safety – Highway Purposes Fund

As mentioned in the bill analysis, the amount charged for a state identification card or driver's license is a compilation of several separate fees (base fee, BMV fee, deputy registrar fee, vision screening fee (if applicable), and a document authentication fee). The bill explicitly states that the \$1 savings realized when purchasing an eight-year card is to be from the base fee, and for a license is to be from the base fee (50¢) and the BMV fee (50¢). Under current law, unchanged by the bill, these fees are credited to the existing Public Safety – Highway Purposes Fund (Fund 5TM0). The fund is used for the purpose of enforcing and paying the expenses of administering the laws relative to the registration and operation of motor vehicles on public roads and highways. The production and distribution costs for state identification cards and driver's licenses are paid for with money appropriated from Fund 5TM0.

State identification cards and driver's license holders

In calendar year 2018, approximately 7.8 million individuals had state identification cards and licenses that would qualify under the bill for an eight-year renewal cycle option. The following table shows the number of active state identification cards and licenses by type in that year. The renewal dates for those cards and licenses are uncertain.

Active State Identification Cards & Licenses, Calendar Year 2018	
Type of Identification Card	Total
Permanent State Identification Cards	1,366,524
Temporary State Identification Cards	95,658
Total State Identification Cards	1,462,182
Type of License	Total
Driver's License Holders, Ages 21-64	5,990,157
Commercial Driver's License Holders, Ages 21-64	318,731
Motorcycle License Holders, Ages 21-64	238
Motorized Bicycle License Holders, Ages 21-64	36
Total Licenses	6,309,162
Total Identification Cards & Licenses	7,771,344

Police and driver interaction education

The bill instructs the State Board of Education, in collaboration with the Department of Public Safety, to develop a model curriculum for instruction in grades 9-12 on proper interactions with peace officers that public districts and schools must use as part of their high school curriculum, and the Department of Public Safety to adopt the model curriculum for instruction in driver training schools. In addition, the Attorney General must adopt rules for the training of peace officers on proper interactions with civilians.

Curriculum development and high school instruction

There will likely be minimal costs to the Department of Education, acting administratively on behalf of the State Board, to develop, in collaboration with the Director of Public Safety, the model curriculum for instruction in grades 9-12. The state of Texas passed a similar bill in 2017. The Texas Education Agency anticipated minimal costs at the time of passage and found no additional costs in complying with the proposed rules to implement the law. In FY 2021, GRF funding of \$4.5 million is specifically appropriated to the Department of Education to develop and communicate to school districts academic content standards and curriculum models.

Public districts and schools may incur minimal costs to update their high school curriculum to provide the required instruction using the State Board-adopted model curriculum in at least one course already required for graduation. However, districts and schools can tailor the curriculum as necessary for their community, though any modification requires soliciting input from law enforcement agencies and driver training schools.

Law enforcement training

The bill requires the Ohio Peace Officer Training Commission to recommend rules to the Attorney General to set forth rules governing the training of peace officers on proper interactions with civilians during traffic stops and other in-person encounters. The Commission, a unit of the Attorney General's Office, oversees training requirements, curriculum, and certification standards for peace officers. According to staff, the bill's training requirements already exist in the basic training received by peace officers. Thus, the bill will not create any additional basic training costs for the Attorney General or local law enforcement agencies.

Under continuing law, the Attorney General, with the advice of the Commission, is required to adopt rules that set forth minimum standards for continuing professional training (CPT) for peace officers and troopers. The bill adds peace officer training on proper interactions with civilians during traffic stops and other in-person encounters to the list of specified training included in the minimum number of CPT hours. The Commission sets the required minimum number of training hours, up to 24 hours each calendar year, unchanged by the bill, based on the availability of funding for reimbursement. If no funding is available for reimbursement, then CPT is not required for that year.

Department of Public Safety

There will be no discernible impact on the Department of Public Safety to adopt the bill's model curriculum on proper interaction with peace officers or to amend the Digest of Motor Vehicle Laws or any other related documents.

Bureau of Motor Vehicles procedural changes

The bill makes changes to various BMV policies and procedures that will generally result in efficiencies for the Registrar of Motor Vehicles and deputy registrars. Those changes relate to motor vehicle titling, CDL medical examiner's certificates, electronic services and transactions, driver's license skills tests, adult abbreviated driving training, and Ohio credential reprints (i.e., a learner's permit, driver's license, commercial driver's license, motorcycle operator's permit, motorized bicycle license, or state identification card). To the extent that any additional costs are incurred, they are likely to be minimal or offset by a corresponding fee.

Orthotics and prosthetics licensure

The bill requires the Ohio Occupational Therapy, Physical Therapy, and Athletic Trainers Board to adopt rules establishing requirements for an applicant with unique and exceptional qualifications to be eligible for an orthotics, prosthetics, or orthotics and prosthetics license, posing an administrative cost. Expanding the number of applicants eligible for a license may result in additional fee revenue, although any increase is expected to be minimal. The bill also requires the Orthotics, Prosthetics, and Pedorthics Advisory Council to provide recommendations for the requirements. Current law requires the Council to advise the Board on matters concerning these professions and meet at least four times per year. If developing these recommendations required additional meetings, the Board could experience additional costs to reimburse Council members for expenses and provide any required stipends.

Synopsis of Fiscal Effect Changes

The substitute version of the bill (I_133_0080-5) makes a number of changes to the As Passed by the Senate version of the bill that may either increase or decrease the bill's fiscal effect. Those changes and their corresponding fiscal effects are as follows:

- For purposes of the Reinstatement Fee Waiver Program, the substitute bill changes the definition of "indigent" from a person who qualifies for public defender representation to a person who participates in the Supplemental Nutrition Assistance Program, the Medicaid Program, the Ohio Works First Program, the Supplemental Security Income Program, or the U.S. Department of Veterans Affairs Pension Benefit Program. While the resulting impact on fiscal effect is indeterminate, the substitute bill's definition of "indigent" matches the definition under existing law's License Reinstatement Fee Debt Reduction and Amnesty Program.
- Beginning July 1, 2021, the substitute bill authorizes the issuance of Ohio driver's licenses to individuals between 21 and 65 and Ohio identification cards, regardless of age, for an eight-year renewal cycle. For each individual that opts for an eight-year identification card or driver's license, there is a \$1 loss in renewal fee revenue, a \$1.86 decrease in card or license production and distribution costs, and a resulting net expenditure savings of 86¢. The magnitude of any net savings will depend upon the number of individuals who ultimately elect to obtain an eight-year card or license.
- The substitute bill instructs the State Board of Education to develop a model curriculum on proper interactions with peace officers that public districts and schools must use as part of their high school curriculum and requires the Department of Public Safety to adopt that model curriculum for instruction in driver training schools. In addition, the

Attorney General must adopt rules for the training of peace officers on proper interactions with civilians. These provisions will likely result in minimal costs to the Department of Education, acting administratively on behalf of the State Board, to develop the model curriculum. Public districts and schools may also incur minimal costs to update their curriculum.

- The substitute bill makes changes to various Bureau of Motor Vehicle policies and procedures that will generally result in efficiencies for the Registrar of Motor Vehicles and deputy registrars. To the extent that any additional costs are incurred, they are likely to be minimal or offset by a corresponding fee.
- Under the substitute bill, the Ohio Occupational Therapy, Physical Therapy, and Athletic Trainers Board may incur additional administrative costs to adopt rules establishing requirements for an applicant with unique and exceptional qualifications to be eligible for an orthotics, prosthetics, or orthotics and prosthetics license.