

Ohio Legislative Service Commission

Office of Research and Drafting

Legislative Budget
Office

S.B. 163 135th General Assembly

Fiscal Note & Local Impact Statement

Click here for S.B. 163's Bill Analysis

Version: As Passed by the House **Primary Sponsor:** Sen. Kunze

Local Impact Statement Procedure Required: No

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Highlights

- The bill creates 25 specialty license plates, 23 of which are subject to the minimum registration requirements of 150 applicants for the first year and two are exempt from that requirement.
- The Bureau of Motor Vehicles (BMV) will incur between \$6.25 and \$7.60 to produce these specialty license plates. That cost will be offset by the collection of the \$10 BMV administrative fee that is charged under existing law when a specialty license plate is issued or renewed.
- Designated recipients for each specialty license plate will receive a set contribution ranging from \$10 to \$40 for each license plate that is selected and subsequently renewed.
- The bill creates a required contribution of \$10 to obtain the existing "Ohio Carpenters" license plate to be distributed to The Indiana/Kentucky/Ohio Regional Council of Carpenters and creates an option for motorcyclists to obtain the specialty license plate.
- The bill excludes the existing "American Legion" license plate from the requirement that the BMV receive written statements from at least 150 people who intend to apply for the license plate.
- The bill changes the name of the "Ohio Natural Energy Institute" license plate to the "Ohio Natural Energy Foundation" license plate to reflect the organization's name change and expands eligibility for the license plate to include certain commercial vehicles.
- The bill has no direct fiscal effect on any of the state's political subdivisions.

Detailed Analysis

The bill creates 25 specialty license plates, which are available to all Ohio motorists, and requires a person to pay an additional fee from \$20 to \$50, depending on type of license plate, when the plate is issued and renewed. A portion of that fee (\$10) is retained by the Bureau of Motor Vehicles (BMV), with the remainder distributed to a designated recipient for a specific purpose. The table below lists all 25 license plates, the additional amount paid in order to obtain the license plate, and the required use of those contributions.

Specialty License Plates				
Contribution Recipient	Required Use	BMV Fee	Required Contribution	
American Legion Auxiliary*				
American Legion Auxiliary Department of Ohio	Supporting the American Legion, current and former military members, and their families	\$10	\$10	
Blanchester Wildcats				
Blanchester Schools Foundation	Funding student scholarships and activities and programs for at-risk students	\$10	\$20	
Blue Star Banner**	Blue Star Banner**			
None	Not Applicable	\$10		
Continue Your Story				
Ben Morrison Memorial Fund	Scholarships and other programs that support mental health	\$10	\$10	
Dublin City Schools				
Dublin Food Pantry	Providing food, hygiene products, and other resources to individuals and families experiencing food insecurity	\$10	\$25	
H.E.A.R.T. 4 Seniors				
Heart4Seniors/Healthcare Evolution Alert Response Technology Foundation, Inc.	Purposes of the Foundation's mission	\$10	\$30	

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Specialty License Plates				
Contribution Recipient	Required Use	BMV Fee	Required Contribution	
Hilliard Davidson Wildcats				
Hilliard Davidson Baseball Club	Supporting the team	\$10	\$30	
Historical and Patriotic Education				
Ohio Society, Sons of the American Revolution	Special projects related to historical education	\$10	\$20	
Iota Phi Theta				
lota Phi Theta Fraternity, Incorporated Delta Theta Omega Chapter in Ohio	Developing and perpetuating scholarship, leadership, citizenship, fidelity, and brotherhood among men and youth in this state	\$10	\$15	
Jackson Local Schools				
 Jackson Local School Foundation Jackson High School Alumni Association 	Amount to be split equally to support the respective purposes of both intended recipients	\$10	\$30	
Jesup W. Scott High School				
Jesup W. Scott High School's Principal Activities Fund	To enhance learning opportunities for the high school's students	\$10	\$10	
Lakeside Chautauqua				
Lakeside Chautauqua Foundation	Conservation and preservation of Lake Erie and the surrounding ecosystem	\$10	\$25	
NASA Glenn Research Center				
None	Not Applicable	\$10		

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Specialty License Plates				
Contribution Recipient	Required Use	BMV Fee	Required Contribution	
Norton Music Boosters				
Norton Music Boosters Association	Providing financial assistance to the Norton High School Music Boosters for equipment, travel, and programing expenses	\$10	\$40	
Ohio Craft Brewers				
Ohio Craft Brewers Association	None specified	\$10	\$20	
Ohio Mountain Bike Alliance				
Ohio Mountain Bike Alliance	None specified	\$10	\$25	
Ohio Society for Respiratory Care				
Ohio Society for Respiratory Care of the American Association for Respiratory Care, Inc.	Benefitting the Ohio Society for Respiratory Care student scholarship fund	\$10	\$25	
Ohio Society of Daughters of the American Revolution				
Ohio Society of Daughters of the American Revolution	To continue the organization's endeavors in service, historic preservation, education, and patriotism	\$10	\$10	
Ohio State Grange				
Ohio Grange Patrons of Husbandry Foundation	Supporting the activities of the organization	\$10	\$25	
Purdue University				
Purdue University (located in West Lafayette, Indiana)	To award grants or scholarships to Ohio residents who attend Purdue University	\$10	\$30	

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Specialty License Plates				
Contribution Recipient	Required Use	BMV Fee	Required Contribution	
Save a Warrior*				
Save a Warrior, Inc.	Preventing suicide by active members of the armed forces of the United States, veterans of those armed forces, and first responders	\$10	\$10	
Suicide Prevention				
Ohio Suicide Prevention Foundation	Suicide prevention programs, education, and advocacy	\$10	\$25	
Terrace Park				
Terrace Park Recreation Committee, Inc.	To offer scholarships to young athletes of and to maintain athletic facilities in Terrace Park	\$10	\$20	
Weirdo Cat Lovers of Cleveland				
Weirdo Cat Lovers of Cleveland	Furthering its mission of assisting pet parents with emergency veterinary bills for their feline companions, providing food and litter to those in economic need, and controlling feral cat populations through the process of trap-neuter-return to the community	\$10	\$15	
West Virginia University				
West Virginia University in Morgantown, West Virginia	Awarding grants or scholarships to residents of Ohio who attend the university.***	\$10	\$25	

 $^{{}^*}$ This license plate is exempt from existing law's minimum registration requirements for specialty license plates.

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^{**}This license plate is subject to existing law's implementation procedure; however, the Registrar may opt to exempt these requirements.

^{***}The bill prohibits West Virginia University from using any of the funds it receives to administer the scholarship program and requires the Registrar of Motor Vehicles to enter into agreements with the university to effectuate the distribution of such funds.

Specialty license plates are produced by the BMV via a digital print-on-demand process at a cost of \$6.25 for a single license plate, \$7.60 for a pair. These costs will be offset by the collection of the \$10 BMV administrative fee which is paid at the initial issuance of the license plate and for each subsequent renewal and credited to the Public Safety – Highway Purposes Fund (Fund 5TMO), which is used in part to pay the BMV's expenses related to titling motor vehicles, licensing drivers, and registering motor vehicles.

Each of the bill's 23 specialty license plates that are subject to existing law's implementation procedure, meaning that the Registrar of Motor Vehicles does not have to issue the license plate until written statements from at least 150 people indicating their intent to apply for and obtain the license plate have been received.²

Assuming the minimum number of applicants meets the threshold of 150 for the first year that each of the bill's specialty license plates is available, the BMV will incur production costs of at least \$937.50 (150 persons x \$6.25) for each type of specialty license plate, which will be offset by the collection of at least \$1,500 (150 persons x \$10) in BMV fees. The amount generated for the designated recipients of each special license plate will range in total from at least \$1,500 (150 persons x \$10) to at least \$6,000 (150 persons x \$40). In subsequent years, those amounts will vary and depend on the number of such plates that are issued or renewed.

"Ohio Carpenters" license plate

The bill modifies the existing "Ohio Carpenters" license plate, which does not require a contribution under existing law, by adding a required \$10 contribution for distribution to the Indiana/Kentucky/Ohio Regional Council of Carpenters to assist its members who are experiencing financial hardship. The magnitude of the amount of revenue generated annually for the Indiana/Kentucky/Ohio Regional Council of Carpenters will depend on the number of "Ohio Carpenters" license plates that are issued or renewed annually. In 2023, there were a total of 94 active "Ohio Carpenter" license plates.

The bill also creates the option for motorcyclists to obtain the "Ohio Carpenters" license plate. The cost to the BMV to produce a motorcycle license plate is \$4.65, which will be offset by the collection of the \$10 BMV administrative fee that is charged under existing law for the issuance or renewal of a special license plate and credited to the Public Safety — Highway Purposes Fund (Fund 5TM0). The net fiscal effect on the BMV is likely to be minimal and will depend on the number of "Ohio Carpenters" motorcycle license plates that are issued or renewed annually.

"American Legion" license plate

The bill modifies the existing "American Legion" license plate by exempting it from existing law's special license plate implementation procedure that requires written statements from at least 150 people indicating their intent to apply for and obtain the specialty license plate. H.B. 578 of the 134th General Assembly, which took effect on April 6, 2023, created the "American

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¹ Under current law, a person registering a motor vehicle may elect to purchase a single license plate or a set of two plates.

² R.C. 4503.78.

Legion" license plate subject to those implementation procedures. To date, those requirements have not been met and as such, no "American Legion" license plates have been issued. The bill will therefore allow the BMV to implement and issue the "American Legion" license plate regardless of whether implementation criteria has been met.

Under continuing law, a person obtaining the "American Legion" license plate must pay the \$10 BMV administrative fee and a \$10 contribution that supports the activities of the American Legion, Department of Ohio, Inc.

"Ohio Natural Energy Foundation" license plate

The bill changes the name of the "Ohio Natural Energy Institute" license plate to the "Ohio Natural Energy Foundation" license plate and corrects the name of the sponsoring organization to reflect the organization's name change. The bill also expands eligibility for the license plate to include a commercial car, bus, trailer, or semitrailer that is not subject to the International Registration Plan (i.e., commercial vehicles that only operate in Ohio), in addition to passenger cars, noncommercial vehicles, and recreational vehicles as under current law.

As a result of the bill's expanded eligibility for the "Ohio Natural Energy Foundation" license plate, the Ohio Natural Energy Foundation may experience an increase in revenue, if the owner of a commercial car, bus, trailer, or semitrailer obtains such a license plate under the bill. Under continuing law, the required contribution to obtain an "Ohio Natural Energy Foundation" license plate is \$20 and contributions are statutorily required to be used to fund scholarships for students pursuing careers in the oil and natural gas industry.

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