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135th General Assembly

Fiscal Note & Local Impact Statement

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Version: As Reported by Senate Judiciary

Primary Sponsors: Reps. Humphrey and Brewer

Local Impact Statement Procedure Required: No

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Highlights

License suspensions

- The Bureau of Motor Vehicles (BMV) will experience some initial shifting in workload and revenue related to the license reinstatement process. Under the bill, certain driver's licenses may be reinstated earlier than they otherwise would have under existing law, and there may also be a potential longer term decrease in the overall number of license suspensions imposed over time.
- Local courts and clerks of court may experience an increase in caseload to hear appeals and motions related to driver's license suspensions that were imposed for certain drug and nondriving offenses prior to the bill's effective date, as well as an increase in administrative costs to issue supplemental citations in failure to appear in court cases. Some of the costs incurred may be at least partially offset by a filing fee charged by the court. The magnitude of the bill's impact on any given local court or clerk of court will vary by jurisdiction.

On-track equipment

- The bill may result in a small number of new traffic convictions related to railroad crossing violations issued by law enforcement officers annually.
- Any related costs to adjudicate these cases by local criminal justice systems would likely be offset, either in whole or in part, from revenue in the form of fines, fees, and court costs collected from violators. The state may gain a negligible amount of revenue related to the portion of fines that are remitted to the state for each conviction.

Detailed Analysis

License suspensions

The bill modifies the law governing driver's license suspensions and their reinstatement processes. In calendar year 2022, there were a total of 263,633 active driver's license suspensions for a total of 175,931 drivers, meaning that each driver had an average of 1.5 suspensions. It is not uncommon for a driver to have multiple suspensions. The bill may shorten the duration of or eliminate altogether certain suspensions for some drivers.

Bureau of Motor Vehicles

License suspension changes

Certain drug offense and nondriving-related suspensions

The bill limits when a suspension may be imposed for certain drug¹ and nondriving offenses² and authorizes the reinstatement of certain licenses, in some cases at no cost, that would not be subject to suspension under the bill. The bill may initially result in some shifting in workload and revenue for the Bureau of Motor Vehicles (BMV), which is responsible for reinstating suspended licenses, as drivers with certain license suspensions may be eligible to have their suspension terminated and driver's license reinstated before they otherwise could have under current law. The BMV is expected to absorb this initial increase in workload utilizing existing resources. In addition, a minimal amount of license reinstatement fee revenue may be collected sooner than it otherwise might have been under current law.

In future years, the bill's provisions governing driver's license suspensions may reduce the number of suspensions that are imposed annually, as well as the amount of corresponding revenue that would otherwise have been collected for the BMV to reinstate those licenses had they been suspended. The savings in workload and the amount of lost revenue is likely to be minimal annually.

For calendar year 2022, there were a total of 530 active in-state drug offense suspensions, 719 out-of-state drug offense suspensions, 20,776 failure to pay child support suspensions, and 241 truancy suspensions. The number of suspensions imposed for the other nondriving offenses is uncertain, as is the number of suspensions that will ultimately be impacted. However, the bill's license suspension provisions are not expected to have a significant fiscal impact on the key components of the driver's license suspension system: the BMV and local courts and clerks of courts.

¹ Possession of controlled substances (when the violation is not a first, second, or third degree felony or a fourth or fifth degree felony under the same circumstances as an OVI offense), possessing drug abuse instruments, illegal use of possession of drug paraphernalia, deception to obtain a dangerous drug, illegal processing of drug documents, abusing harmful intoxicants, and counterfeit controlled substance offenses.

² These offenses also include: failure to pay child support, habitual school truancy (in the case of a student), failure to pay a fine imposed by a court, and failure to comply with or satisfy specified court judgments within the specified time.

License forfeiture suspensions

Under current law, a license forfeiture suspension may be imposed when a person either fails to appear in court to answer for a charge or fails to pay a court-imposed fine or satisfy specified court judgments within a specified timeframe. The bill eliminates the possibility of a license suspension for failure to pay a fine or satisfy a court judgment (but retains the possibility of a suspension for failure to appear) and requires the Registrar to reinstate any such suspensions without the payment of any fees. The bill also requires, rather than authorizes as under current law, a court to issue a supplemental citation to a person who fails to appear in court at least 30 days prior to issuing a summons or warrant and authorizes the issuance of the supplemental citation via electronic means.

In calendar year 2022, there were 69,494 license forfeiture suspensions. The number of those suspensions that were imposed for failure to pay a court-ordered fine or otherwise comply or satisfy a court order, and thus eligible for reinstatement under the bill is indeterminate, as is the number of suspensions for failure to appear in court. The bill also requires the Registrar to automatically remove any driver's license suspensions or motor vehicle registration suspensions imposed by the Registrar for failure to pay a court fine or fee and to create a list of individuals whose license was suspended by a court for that offense and send the list to the applicable courts. Costs associated with this new duty will depend on the magnitude of the number of impacted records and whether that process can be integrated with other existing notification systems between the BMV and the courts.

Failure to pay child support

Under current law, a child support enforcement agency (CSEA), in certain circumstances, may send notice to the Registrar of Motor Vehicles to suspend a person's driver's license if they have defaulted on child support obligations. That suspension remains in effect until the Registrar receives further notice from the CSEA to terminate the suspension. The bill (1) explicitly authorizes CSEAs to take into account that a license suspension may effectively prohibit a person's ability to pay child support or the arrearage due and (2) requires a 30-day grace period after a CSEA sends notice of an impending suspension before suspending the person's license.

The bill's changes may initially result in earlier termination for certain existing license suspensions than would have been the case under existing law and may ultimately reduce the number of license suspensions imposed for failure to pay child support over time. Any impact on CSEAs as a result of the bill's provisions is likely to be minimal annually.

License reinstatement fee revenue

As a result of the bill's license suspension provisions, the Registrar may end up reinstating some licenses earlier than would otherwise have been the case and having to forego reinstatement revenue that would otherwise have been collected to satisfy the suspension. The reinstatement fee required to reinstate a license varies by type of suspension. The reinstatement fees and distribution for the bill's "**Certain drug offense and nondriving-related suspensions**" and "**License forfeiture suspensions**" as previously discussed generally are as follows:

- Drug-related and truancy-related offenses: \$40, of which \$30 is credited to the Public Safety – Highway Purposes Fund (Fund 5TM0), which is used in part to pay the BMV’s expenses and \$10 is credited to the Indigent Defense Support Fund (Fund 5DY0).³
- Failure to pay child support: \$25, all of which is credited to Fund 5TM0.⁴
- License forfeiture: \$25, of which \$15 is credited to Fund 5TM0, and \$10 is credited to Fund 5DY0.⁵

The magnitude of revenue loss will depend on the number and type of suspensions that are eligible to be lifted under the bill. It is possible that a person may have a license suspension lifted and still have a suspended license if a suspension was imposed for another offense. The bill’s impact on the clerks of court, who are also affected by the license suspension changes, is detailed in the “**Local courts and clerks of court**” section below.

Random Selection Verification Program

The bill requires the Registrar to remove any remaining driver’s license suspensions associated with the Financial Responsibility Random Verification Program that was eliminated in H.B. 62 of the 133rd General Assembly and prohibits the Registrar from charging any fees to reinstate those licenses that are still suspended under the program.

As of January 18, 2024, the BMV reported 14,327 open Random Verification cases, nearly all of which (14,265) were still active due to owing some amount of money. The remaining 62 suspensions were still active due to failing to submit the required proof of insurance filing. Removing these remaining suspensions will result in up to \$2,139,750 (\$150 x 14,265) in reinstatement fee revenue under the bill that otherwise may have been collected and credited to Fund 5TM0.^{6, 7} It should be noted that some people with an outstanding Random Selection suspension may also have other active suspensions, therefore their license would not be eligible for reinstatement under the bill.

Proof of financial responsibility penalties

The bill reduces the penalties for failing to provide proof of financial responsibility when operating a motor vehicle. The bill’s impact on noncompliance violations at a traffic stop or at the time of an accident, and related revenue is two-fold. First, by increasing from 15 days to 45 days the grace period in which a person may provide proof of financial responsibility before a

³ R.C. 4507.45.

⁴ R.C. 3123.59.

⁵ R.C. 4510.22.

⁶ This amount assumes that the \$150 reinstatement fee would otherwise have been collected for each suspension and does not take into account amnesty or partial payments received.

⁷ Presumably \$50 of each reinstatement fee would be credited to Fund 5DY0, as at the time that the program existed, that was the amount specified to be credited to Fund 5DY0 in R.C. 4509.101, which governs financial responsibility compliance violations, including reinstatement fees. The amount credited to Fund 5DY0 as a result of financial responsibility violations was reduced from \$50 for a first violation to \$10 for any violation, regardless of the number of prior convictions, in H.B. 33 of the 135th General Assembly.

license suspension becomes effective, and by reducing the lookback period for repeat offenses from five years to one year, the bill may reduce the number of license suspensions imposed for noncompliance and repeat noncompliance violations. The second effect is that if fewer licenses are suspended, the BMV may collect less noncompliance reinstatement fee revenue that would be credited to Fund 5TM0 than it otherwise would have collected.

In calendar year 2022, there were 94,820 noncompliance license suspensions. The bill is unlikely to affect the overall number of these suspensions. It may however affect the amount assessed to reinstate certain licenses, thereby potentially decreasing to some degree the total amount of reinstatement fee revenue generated annually. Under existing law, the reinstatement fee for a license suspended due to noncompliance is generally \$40 however, that fee increases to \$300 for a second offense within a one-year period and to \$600 for a third or subsequent offense within a one-year period. Of those amounts, \$10 is credited to Fund 5DY0 and the remainder is credited to Fund 5TM0.⁸ These fees and their distribution are unchanged by the bill, with the exception of the elimination of the \$50 financial responsibility noncompliance fee when a person fails to voluntarily surrender the person's license, certificate of registration, or license plates.

Additionally, the bill modifies the requirement that a person whose license was suspended for noncompliance continually file proof of responsibility for three to five years after the offense by reducing that timeframe to one year for all suspensions. This change will likely result in some administrative savings for the BMV.

Local courts and clerks of court

Driver license suspensions

The bill's provisions regarding driver's license suspensions for certain drug and nondriving offenses, and failure to pay child support may result in an initial increase in caseload for local courts and clerks of court related to such suspensions imposed prior to the bill's effective date. In the case of certain drug offenses and nondriving-related suspensions, individuals may file an appeal with the appropriate court to have their suspension terminated, and in the case of failure to pay child support,⁹ individuals may file a motion with the court for limited driving privileges when they are not able to under current law.

Any costs incurred as a result of a driver's license suspension appeal or motion for limited driving privileges may be at least partially offset by a filing fee charged by the court. Whether or not a court charges a fee varies by court, as does the amount of any fee charged. A court has discretion over whether to terminate the suspension for any applicant making such a request under the bill.

Any increase in appeals or motions for limited driving privileges filed is expected to be temporary with caseloads leveling out after existing suspensions have been served. The magnitude of any initial increase is uncertain. In future years, the bill may reduce the number of license suspensions imposed for certain drug and nondriving offenses and failure to pay child support, thus potentially resulting in a minimal decrease in caseload for local courts and clerks of court.

⁸ R.C. 4509.101.

⁹ There were 20,776 failure to pay child support suspensions in calendar year 2022.

Failure to appear supplemental citations

The bill requires a court to issue a supplemental citation to a person who fails to appear in court prior to issuing a summons or warrant and authorizes the issuance of the supplemental citation via electronic means. As a result, certain clerks of court may experience an increase in workload and related costs to issue supplemental citations, the magnitude of which will vary by court and depend on the number of failure to appear violations and whether the court has the capability to submit the supplemental citation electronically. The impact is likely to be greater on those jurisdictions in which the clerk does not have the ability to submit the supplemental citation electronically.

School notification requirements to the BMV

The bill's provision removing the requirement that school superintendents notify the BMV of a student's withdrawal from school or habitual absence will have a negligible fiscal effect on impacted school districts, mainly in terms of administrative cost savings.

Driving under suspension citations

By potentially decreasing the number of licenses suspended for certain drug and nondriving offenses and failure to pay child support, the bill may indirectly impact the number of citations issued for driving under suspension or violating certain license restrictions.

Any resulting decrease in suspensions or citations issued creates a potential expenditure savings effect for local criminal justice systems, as well as the BMV, which administers the license suspension system. Fewer subsequent convictions mean a related revenue loss in the form of fines, fees, and court costs retained by counties and municipalities, and court costs forwarded to the state. The net effect of any expenditure savings and revenue loss is likely to be minimal at most annually.

On-track equipment

The bill requires all drivers to stop for on-track equipment¹⁰ that may be approaching a railroad crossing in the manner as already required for trains and also requires certain vehicle operators to stop, watch, and listen for on-track equipment that may be approaching a railroad crossing.

According to the Ohio Public Utilities Commission, there are more than 5,700 public grade crossings in operation across the state, spanning 5,300 miles of track. In calendar year (CY) 2023, the Bureau of Motor Vehicles reported a total of 166 convictions for various railroad crossing violations, which occurred in 42 counties. Most of those convictions, 101 or 61%, occurred in ten counties, averaging around ten convictions per county. Butler County saw the most convictions with 21. The remaining 65 (39%) convictions were spread across 32 other counties, while 46 counties had no convictions for railroad crossing violations.

¹⁰ On-track equipment generally includes the large and heavy construction, repair, and cleaning equipment used on railroads.

Fiscal effect

Enforcement and adjudication

The bill's provisions regarding stopping for on-track equipment at a railroad crossing may result in a small increase in the number of citations issued by law enforcement officers annually, with most of those expected to be minor misdemeanors or fourth degree misdemeanors, depending on the violation. In the case of a minor misdemeanor, a law enforcement officer generally does not arrest a person, but instead issues a citation. In lieu of making a court appearance, that person can sign the guilty plea and waiver of trial provision on the citation and pay the fine and associated costs to the appropriate clerk of court either in person or by mail.¹¹ Based on the conviction data provided above, any increase in violations is expected to be relatively small and most minor misdemeanor violators will presumably sign the guilty plea and trial waiver to avoid going to court. Adjudication and related administrative costs for county and municipal courts and clerks of courts are likely to be negligible. To the extent that additional citations are issued, there will be a corresponding increase in the amount of fine, fee, and court cost revenue generated for the state and political subdivisions, potentially offsetting any new costs.

Possible sanctions

Generally, a person convicted of failure to stop for a train or on-track equipment (under the bill) would be subject to the fines and penalties of a misdemeanor of the fourth degree. Additionally, under current law and now under the bill, certain other vehicles (e.g., buses, school vehicles, and specified construction vehicles) are required to stop, watch, and listen at a crossing every time for a train or on-track equipment. The penalties for these violations could range from a minor misdemeanor to a third degree misdemeanor, depending on prior violations and the type of vehicle involved.

However, the bill also authorizes a court to order an offender who was convicted of a railroad grade crossing violation (including for both trains under current law and on-track equipment under the bill) to complete a remedial safety training or presentation regarding rail safety in lieu of imposing a fine or a jail term. To the extent that a court chooses to utilize this option, it may reduce to some degree the fine revenue collected and/or expenses associated with a jail term (if one may have been imposed). This alternative sentencing option does not apply to violations of the stop, watch, and listen requirements that apply to certain vehicles (e.g., buses, school vehicles, and specified construction vehicles).

The following tables show the possible fines and jail terms for the penalty categories impacted by the bill and distribution, if collected. For a more thorough description of the circumstances for which the penalties apply, please see the bill analysis. As previously stated, the number of violations of any of the bill's expanded offenses is likely to be negligible annually compared to current caseloads.

¹¹ R.C. 2935.26.

Table 1. Possible Fines and Jail Terms for Railroad Crossing Violations

Offense Level	Fine	Term of Incarceration
Minor misdemeanor	Up to \$150	Citation issued; no jail
Misdemeanor 4 th degree	Up to \$250	Jail, not more than 30 days
Misdemeanor 3 rd degree*	Up to \$500	Jail, not more than 60 days

*Only applies to third and subsequent violations involving the operator of specified types of construction vehicles.

Table 2. Distribution of Fines, Fees, and Court Costs for Traffic Offenses in General

Financial Penalty Component	Amount Paid by Violator	Recipient of Amount
Fine	Varies by offense; varies by local jurisdiction	<ul style="list-style-type: none"> ▪ Retained by county if violation of state law ▪ Retained by municipality if violation of local ordinance ▪ Forwarded for deposit into the state Security, Investigations, and Policing Fund (Fund 8400) if violator is cited by the Ohio State Highway Patrol
Local court costs and fees	Varies by local jurisdiction	Generally retained by the county or municipality
State court costs (misdemeanor moving violations)	\$37.50*	Deposited in the state treasury as follows: <ul style="list-style-type: none"> ▪ \$25 to the Indigent Defense Support Fund (Fund 5DY0) ▪ \$9 to the Victims of Crime/Reparations Fund (Fund 4020) ▪ \$3.40 to the Drug Law Enforcement Fund (Fund 5ET0) ▪ 10¢ to the Justice Program Services Fund (Fund 4P60)

*An additional \$1.50 is credited to the county or municipal indigent drivers' alcohol treatment fund under the control of the court hearing the case for moving violations.