



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: H.B. 310 of the 131st G.A.

Date: February 16, 2016

Status: As Introduced

Sponsor: Reps. Ryan and Ginter

Local Impact Statement Procedure Required: No

Contents: "Distinguished Flying Cross" license plate

State Fiscal Highlights

- Potential minimal annual expenditure increase for the Bureau of Motor Vehicles to produce and distribute the "Distinguished Flying Cross" license plate, with money for that purpose being appropriated from the State Bureau of Motor Vehicles Fund (Fund 4W40).

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The bill creates the "Distinguished Flying Cross" license plate and prohibits any person who is not the recipient of the Distinguished Flying Cross (DFC) from falsifying an application to obtain or bear the license plate.

"Distinguished Flying Cross" license plate

State fiscal effects

Bureau of Motor Vehicles

The Bureau of Motor Vehicles (BMV) currently produces special license plates via a digital print-on-demand process. The total cost to produce a pair of these plates is \$6.37. Many specialty license plates require the applicant to pay an additional fee to help defray any costs associated with producing the plate. As with most military license plates (i.e., the Bronze Star Medal, Korea, and Combat Battle Star) however, the bill does not allow for any such fee, thereby shifting the additional cost burden to the State Bureau of Motor Vehicles Fund (Fund 4W40).

The number of individuals that will be eligible to apply for the plate is uncertain, as records of how many of the DFC medals have been awarded and to whom are not readily available. Information available from some of the other states that currently issue such a plate, however, provides a possible range of Ohio DFC applicants as follows: Oklahoma (70), Mississippi (87), Colorado (112), and Texas (1,313). This suggests that the additional cost for the BMV to produce and distribute an Ohio DFC plate may run in the thousands of dollars each year.

The bill also exempts this license plate from the procedures governing the termination of nonstandard license plates if a minimum of 25 plates is not requested each year.

Local fiscal effects

Redistributed BMV revenues

The bill does not have a direct fiscal effect on political subdivisions of the state. However, whenever the cash flow of Fund 4W40 changes, local governments may be indirectly affected. Monthly, an assessment of Fund 4W40 occurs and excess cash not needed for BMV's monthly operating expenses is transferred to the state's Auto Registration Distribution Fund (Fund 7051). Cash in Fund 7051 is distributed to local governments (counties, municipalities, and townships) to use for transportation-related needs such as roads and bridges. As BMV's expenses or revenue sources increase or decrease, money available for redistribution to local governments may increase or decrease accordingly. Thus, if the BMV's costs to produce and distribute license plates increases, there may be less cash available for distribution back to certain local governments via Fund 7051.

Falsification

The bill prohibits a person who has not received the Distinguished Flying Cross from falsely obtaining and utilizing the "Distinguished Flying Cross" license plate. Under current law, a person who commits such a violation may be found guilty of falsification, which generally is a misdemeanor of the first degree. A misdemeanor of the first degree is punishable by a stay of up to 180 days in a locally operated jail, a fine of up to \$1,000, or both. The sentencing court also imposes court costs and fees, with a portion of the court costs being forwarded for deposit into certain state funds.¹

Falsification violations are likely to be extremely rare, which means that the bill will have no discernible ongoing fiscal effect on the state or any of its political subdivisions.

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¹ "State court costs" are statutorily specified amounts collected by local courts and forwarded for deposit in the state treasury. The court is generally required to impose state court costs totaling \$29 for a misdemeanor. The \$29 misdemeanor amount is divided as follows: \$20 to the Indigent Defense Support Fund (Fund 5DY0) and \$9 to the Victims of Crime/Reparations Fund (Fund 4020).