



OHIO LEGISLATIVE SERVICE COMMISSION

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Fiscal Note & Local Impact Statement

Bill: H.B. 76 of the 132nd G.A.

Status: As Reported by House Transportation and Public Safety

Sponsor: Reps. Arndt and Gavarone

Local Impact Statement Procedure Required: No

Subject: Creates the "Ohio National Guard Ohio Cross" and "Ottawa National Wildlife Refuge" license plates

State Fiscal Highlights

- The potential first year cost for the Bureau of Motor Vehicles (BMV) to produce the "Ottawa National Wildlife Refuge" license plate is at least \$912, and at least \$152 annually thereafter. The \$10 administrative fee collected for the BMV's use potentially generates at least \$1,500 in the first year, and at least \$250 annually thereafter.
- The number of persons eligible to apply for the "Ohio National Guard Ohio Cross" license plate is extremely small, which means the annual costs for the BMV to produce and distribute the license plate will be negligible. No related revenue is generated, as the BMV is not authorized to charge an additional administrative fee when issuing the license plate.
- The amount potentially credited to the existing License Plate Contribution Fund (Fund 5V10) and then paid to the Ottawa National Wildlife Refuge totals at least \$4,500 in the first year, and at least \$750 annually thereafter.
- The actual magnitude of the revenues and expenditures noted in the above dot points for the Ottawa National Wildlife Refuge are dependent upon demand for the license plate, which is uncertain.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The bill creates: (1) the "Ohio National Guard Ohio Cross" license plate that is to be issued free-of-charge to any person who has been awarded the Ohio National Guard Ohio Cross medal, and (2) the "Ottawa National Wildlife Refuge" license plate that is available to all Ohio motorists and requires payment of an additional \$10 Bureau of Motor Vehicles (BMV) administrative fee and a \$20 contribution to be used by the Ottawa National Wildlife Refuge.

Special License Plates			
Special License Plate	BMV Fee	Required Contribution	Contribution Recipient
Ohio National Guard Ohio Cross	None	None	Not Applicable
Ottawa National Wildlife Refuge	\$10	\$20	Ottawa National Wildlife Refuge

Bureau of Motor Vehicles

License plate implementation and termination procedures

Under the bill, the "Ohio National Guard Ohio Cross" license plate is not subject to current law's license plate implementation and termination procedures described below; those procedures do apply to the "Ottawa National Wildlife Refuge" license plate.

Under existing law, a special 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 license plate until the Registrar receives written statements from at least 150 persons indicating that they intend to apply for and obtain the special license plate (R.C. 4503.78). If, during any calendar year, the total number of new and renewal motor vehicle registrations involving a license plate totals less than 25, the issuance of that license plate may cease as of December 31 of the following year (R.C. 4503.77).

Production costs and administrative fees

The BMV currently produces special license plates via a digital print-on-demand process. The total cost to produce a pair of these license plates is \$6.08.

"Ohio National Guard Ohio Cross" license plate

It appears that the awarding of the Ohio National Guard Ohio Cross medal is extremely rare. This suggests that the number of persons eligible to apply for the "Ohio National Guard Ohio Cross" license plate is extremely small, and the annual costs for the BMV to produce and distribute the license plate will be negligible. No related revenue is generated, as the BMV is not authorized to charge an additional administrative fee when issuing the license plate.

"Ottawa National Wildlife Refuge" license plate

Under the bill, a person obtaining an "Ottawa National Wildlife Refuge" license plate must pay an administrative fee of \$10, the purpose of which is to compensate the BMV for additional services required in issuing the plate.

- Assuming the "Ottawa National Wildlife Refuge" license plate satisfies the minimum 150-person registration requirement, then, in the first year, the annual production costs for the license plate will total at least \$912 (150 persons x \$6.08) and the administrative fees collected will total at least \$1,500 (150 persons x \$10).
- Assuming the license plate, in subsequent years, satisfies the minimum 25-person registration requirement (new and renewals), then the annual production costs for the license plate will total at least \$152 (25 persons x \$6.08) and the administrative fees collected will total at least \$250 (25 persons x \$10).

The administrative fees will be credited to the existing State Bureau of Motor Vehicles Fund (Fund 4W40), which the BMV uses to defray the cost of manufacturing and distributing license plates and stickers, and to cover the cost of motor vehicle registration.

Ottawa National Wildlife Refuge

The \$20 contribution paid for the issuance of the "Ottawa National Wildlife Refuge" license plate will be credited to the existing License Plate Contribution Fund (Fund 5V10) and then paid to the Ottawa National Wildlife Refuge for wildlife preservation purposes.

- Assuming that the demand satisfies the minimum threshold, then, in its first year, the license plate will generate at least \$3,000 (150 applicants x \$20 contribution) in contributions for the Wildlife Refuge.
- In each subsequent year, at least 25 persons must purchase the license plate; otherwise it is subject to termination under existing law. Assuming that the demand satisfies the minimum threshold to avoid termination, the plate will generate at least \$500 (25 x \$20 contribution) for the Wildlife Refuge.