



# OHIO LEGISLATIVE SERVICE COMMISSION

Maggie Wolniewicz

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## Fiscal Note & Local Impact Statement

**Bill:** H.B. 227 of the 132nd G.A.

**Status:** As Reported by House Transportation and Public Safety

**Sponsor:** Rep. LaTourette

**Local Impact Statement Procedure Required:** No

**Subject:** "Kenston Local Schools" license plate

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### State Fiscal Highlights

- The Bureau of Motor Vehicles (BMV) will experience an increase in expenditures of \$6.08 to produce each requested pair of "Kenston Local Schools" license plates, which will be offset by the bill's required \$10 BMV administrative fee.
- The amount credited to the existing License Plate Contribution Fund (Fund 5V10) and then paid to the Kenston Local School District (\$30 contribution per pair) will depend upon demand for the license plate, which is uncertain.

### Local Fiscal Highlights

- The bill has no direct fiscal effect on political subdivisions.

### Detailed Fiscal Analysis

The bill creates the "Kenston Local Schools" license plate that is available to all Ohio motorists. As summarized in the table below, a motorist applying for the plate must pay: (1) a \$10 Bureau of Motor Vehicles (BMV) administrative fee, and (2) a \$30 contribution to be used by the Kenston Local School District. The bill specifies that the implementation and termination procedures that typically apply to special license plates do not apply to the "Kenston Local Schools" license plate. The bill has no direct fiscal effect on political subdivisions.

Special License Plate			
Special License Plate	BMV Fee	Required Contribution	Contribution Recipient
Kenston Local Schools	\$10	\$30	Kenston Local School District

### Bureau of Motor Vehicles

The BMV currently produces special license plates via a digital print-on-demand process. The total cost to produce a pair of these plates is \$6.08. Under the bill, a person obtaining a "Kenston Local Schools" 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. The administrative fees will be credited to the Public Safety – Highway Purposes Fund (Fund 5TM0),<sup>1</sup> which is used in part to pay the BMV's expenses related to titling motor vehicles, licensing drivers, and registering motor vehicles. The magnitude of the annual revenues and expenditures generated by the license plate will depend upon demand, which is uncertain.

### **Kenston Local School District**

The \$30 contribution paid for the issuance of the "Kenston Local Schools" license plate will be credited to the existing License Plate Contribution Fund (Fund 5V10) and then paid to the Kenston Local School District. The Kenston Local School District is required to use the money to pay the expenses incurred in providing services that assist in developing or maintaining a culture of environmental responsibility and innovative science, technology, engineering, art, and math (S.T.E.A.M.) curriculum to its students. The amount of revenue generated for the Kenston Local School District will depend upon demand for the license plate, which is uncertain.

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<sup>1</sup> The Public Safety – Highway Purposes Fund (Fund 5TM0) was created in H.B. 26 of the 132nd General Assembly to consolidate the existing State Bureau of Motor Vehicles Fund (Fund 4W40), State Highway Safety Fund (Fund 7036), Highway Safety Salvage and Exchange Administration Fund (Fund 8300), and Highway Safety Salvage and Exchange Highway Patrol Fund (Fund 8410). Fund 5TM0 will become effective on July 1, 2017.