



OHIO LEGISLATIVE SERVICE COMMISSION

Tom Middleton

Fiscal Note & Local Impact Statement

Bill: H.B. 250 of the 132nd G.A.
(L_132_0670-4)

Status: In House Transportation and Public Safety

Sponsor: Rep. Brinkman

Local Impact Statement Procedure Required: No

Subject: Establishes laws governing electric bicycles

State & Local Fiscal Highlights

- Generally, the bill entails no cost to the state. There may be minimal costs to local governments in setting policies to govern the usage of electric bicycles in certain areas.
- The state may collect at most a minimal amount of additional court cost revenue annually that will be apportioned between certain state funds, including: the Indigent Defense Support Fund (Fund 5DY0), the Victims of Crime/Reparations Fund (Fund 4020), the Drug Law Enforcement Fund (Fund 5ET0), and the Justice Program Services Fund (Fund 4P60).
- The fines, fees, and court costs collected from violators generally are expected to more or less offset any additional local law enforcement and adjudication costs.

Detailed Fiscal Analysis

The bill establishes statutory requirements that apply to the manufacture and operation of electric bicycles. Generally, electric bicycles are to be considered as regular bicycles under the law unless political subdivisions prohibit their use on bike paths and shared-use paths. However, electric bicycles would be prohibited on natural paths or trails used for nonmotorized uses such as mountain biking, hiking, horse riding, unless political subdivisions allow for their use on these types of surfaces. The bill also prohibits the use of an electric bicycle on freeways. The bill categorizes electric bicycles into three classes. All three classes of bicycles must be equipped with fully operable pedals and electric motors that are less than 750 watts. A "class 1" electric bicycle provides assistance only when the rider is pedaling and only up to 20 miles per hour. A "class 2" electric bicycle may provide assistance regardless of whether the rider is pedaling, but only up to 20 miles per hour. A "class 3" electric bicycle provides assistance only when the rider is pedaling and only up to 28 miles per hour. The classification of the electric bicycles affects certain equipment requirements and rules governing where the electric bicycles may be ridden. Overall, political subdivisions may incur a small increase in costs for regulating the use of electric bicycles as provided

under the bill. Any increase in costs to local law enforcement should be offset by fine revenues, as discussed in the sections below.

Local law enforcement and adjudication

If political subdivisions prohibit the use of electric bicycles on shared-use paths under their jurisdiction, it may result in an increase in the number of citations issued by law enforcement officers, with most of those being minor misdemeanors. For a minor misdemeanor, a law enforcement officer generally does not arrest a person, but instead issues a citation in an amount up to \$150. In lieu of making a court appearance, the person can sign a guilty plea and a waiver of trial provision that is on the citation and pay the total amount of the fine, fees, and costs to the clerk of courts. The penalty can increase to a fourth degree misdemeanor and subsequently to a third degree misdemeanor based on predicate motor vehicle offenses that the violator may have committed in the prior year. The table below shows how fine revenue for minor misdemeanors, court costs, and fees are currently distributed among state and local entities.

Fine, Fees, and Costs for a Violation of the Bill's Electric Bicycle Requirements		
Financial Penalty Component	Amount Paid by Violator	Recipient of Amount
Fine	Up to \$150, minor misdemeanor fine that varies by local jurisdiction	<ul style="list-style-type: none"> Retained by county if violation of state law Retained by municipality or township if violation of local ordinance Forwarded for deposit into state Security, Investigations, and Policing Fund (Fund 8400) if violator cited by the Ohio State Highway Patrol
Local court costs and fees	Varies by local jurisdiction	Generally retained by the county or municipality with subject matter jurisdiction over traffic violations
State court costs Moving Violation	\$37.50	Deposited in 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) \$0.10 to the Justice Program Services Fund (Fund 4P60)
Nonmoving Violation	\$19.00	Deposited in state treasury as follows: <ul style="list-style-type: none"> \$10 to the Indigent Defense Support Fund (Fund 5DY0) \$9 to the Victims of Crime/Reparations Fund (Fund 4020)

Incorporating the use of electric bicycles within the existing motor vehicle laws is not expected to result in significant additional enforcement costs, since it would be part of their ongoing daily patrol operations. Adjudication costs for county and municipal courts and clerks of courts will be marginal as many violators will opt to sign a guilty plea, waive trial, and pay the clerk of courts. It is also likely that the money collected from a violator will more or less offset any associated enforcement and adjudication costs.

Background

According to the National Conference of State Legislatures (NCSL), the federal government began regulating electric bicycles in 2002 under the Consumer Product Safety Commission. The corresponding traffic law and vehicle codes are to be determined on the state and local level. NCSL found that 27 states currently define what constitutes an electric bicycle, and that seven states have enacted electric bicycle regulation since 2015. The market for these products appears to be growing each year. In 2014, an industry analysis estimated that about 200,000 electric bicycles were sold in the U.S. that year, and rough projections for 2016 suggest that up to 250,000 units were sold nationally last year.¹

Synopsis of Fiscal Effect Changes

None of the topics addressed in the substitute bill appear to have any additional fiscal effects on the state or political subdivisions. The changes include: (1) clarifying the definition of a shared-use path, (2) specifying that, if a political subdivision or state agency wishes to prohibit electric bicycles on shared-use paths, they must do so by resolution, ordinance, or rule, (3) prohibiting the use of electric bicycles on natural surface paths or trails unless political subdivisions allow for their use through resolution, ordinance, or rule, (4) prohibiting electric bicycles on freeways, and (5) specifying how an electric bicycle rider is to handle intersections with malfunctioning traffic control signals.

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¹ For a comprehensive summary of electric bicycle information and regulation, visit NCSL's website at <http://www.ncsl.org/research/transportation/state-electric-bicycle-laws-a-legislative-primer.aspx>.