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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
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Office

H.B. 458
133rd General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 458's Bill Analysis](#)

Version: As Reported by House Transportation and Public Safety

Primary Sponsor: Rep. Rogers

Local Impact Statement Procedure Required: No

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Highlights

- The “University of Alabama” license plate is subject to the minimum registration requirements of 150 applicants for the first year and 25 applicants annually thereafter.
- If demand for the “University of Alabama” license plate reaches the minimum threshold of 150 plates, the Bureau of Motor Vehicles (BMV) will: (1) gain at least \$1,500 in fee revenues and (2) incur at least \$615 in license plate production costs; the University of Alabama will receive at least \$4,500 in contributions.
- In each subsequent year, if the license plate stays in circulation, the BMV will gain at least \$250 in fee revenues; the University of Alabama will receive at least \$750 in contributions. The annual production costs for the license plate will total \$4.10 for each new set issued.
- The actual BMV fee revenue and cost, as well as contributions to the University of Alabama, will depend upon demand for the license plate each year.
- A person who applies for the license plate is required to pay \$40 in additional money, consisting of a \$10 BMV administrative fee and a \$30 contribution for the University of Alabama.
- The bill has no direct fiscal effect on any of the state’s political subdivisions.

Detailed Analysis

“University of Alabama” license plate

The bill creates the “University of Alabama” license plate that is available to all persons with an eligible vehicle registered in Ohio. As summarized in the table below, a person applying

for the plate must pay: (1) a \$10 Bureau of Motor Vehicles (BMV) administrative fee, and (2) a \$30 contribution to the University of Alabama located in Tuscaloosa, Alabama.

“University of Alabama” License Plate			
Special License Plate	BMV Fee	Required Contribution	Contribution Recipient
University of Alabama	\$10	\$30	University of Alabama

License plate implementation and termination procedures

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 license plates via a digital print-on-demand process. The total cost to produce a pair of these plates is \$4.10. Under the bill, a person obtaining a “University of Alabama” 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), which is used in part to pay the BMV’s expenses related to titling motor vehicles, licensing drivers, and registering motor vehicles.

- Assuming the license plate satisfies the minimum 150-person registration requirement, then, in the first year, the annual production costs for the license plate will total \$615 (150 persons x \$4.10) and the administrative fees collected will total \$1,500 (150 persons x \$10).
- Assuming the license plate, in subsequent years, satisfies the minimum 25-person registration requirement (new and renewals), the administrative fees collected will total \$250 (25 persons x \$10). The annual production costs for the license plate will total \$4.10 for each new set issued.

University of Alabama

The \$30 contribution paid for the issuance of the “University of Alabama” license plate will be credited to the existing License Plate Contribution Fund (Fund 5V10) and then paid to the University of Alabama located in Tuscaloosa, Alabama, for the purposes of awarding grants or scholarships to residents of Ohio who attend the university. The bill requires the contributions for the license plate not be used for purposes of administering the scholarship program.

- Assuming demand satisfies the minimum threshold, then, in its first year, the license plate will generate \$4,500 (150 persons x \$30 contribution) in contributions for the University of Alabama.
- In each subsequent year, at least 25 persons must purchase the license plate; otherwise, it is subject to termination under existing law. Assuming demand satisfies the minimum threshold to avoid termination, the plate will generate at least \$750 (25 persons x \$30 contribution) for the University of Alabama.