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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 686
134th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 686's Bill Analysis](#)

Version: As Introduced

Primary Sponsors: Reps. Lanese and Richardson

Local Impact Statement Procedure Required: No

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Highlights

- Assuming the demand for the “American Legion” specialty license plate satisfies the minimum 150-person registration requirement, then, in its first year, the Bureau of Motor Vehicles (BMV) will: (1) gain at least \$1,500 in fee revenues and (2) incur between \$882 and \$1,085 or more in license plate production costs; the American Legion, Department of Ohio, Inc. will receive at least \$1,500 in contributions.
- In subsequent years, the BMV will gain \$10 in fee revenue for each license plate newly issued or renewed, and incur production costs of \$5.88 and \$7.23 for a new single plate and pair of plates issued, respectively.
- The actual BMV fee revenue and cost, as well as contributions to the American Legion, Department of Ohio, Inc., will depend upon demand in each year.
- A person who applies for the “American Legion” specialty license plate must pay additional money, consisting of a \$10 BMV administrative fee and a contribution of \$10.
- The bill redirects the contributions received for the existing “Sons of the American Legion” license plate from the Ohio Sons of the American Legion to the Ohio Past Detachment Commanders Club, Inc.
- The bill will have no direct fiscal effect on any of the state’s political subdivisions.

Detailed Analysis

“American Legion” license plate

The bill creates the “American Legion” license plate that is available to all persons with an eligible vehicle registered in Ohio. A person applying for the plate must pay a \$10 Bureau of

Motor Vehicles (BMV) administrative fee and a \$10 contribution to American Legion, Department of Ohio, Inc.

| “American Legion” Specialty License Plate | | | |
|--|----------------|------------------------------|---|
| Specialty License Plate | BMV Fee | Required Contribution | Contribution Recipient |
| American Legion | \$10 | \$10 | American Legion, Department of Ohio, Inc. |

License plate implementation procedures

Under existing law, the Registrar of Motor Vehicles is not required to implement any legislation that creates a specialty license plate until the Registrar receives written statements from at least 150 persons indicating that they intend to apply for and obtain the license plate (R.C. 4503.78).

Production costs and administrative fees

Under current law, a person may elect to purchase either a single plate or pair of plates. The BMV currently produces special license plates via a digital print-on-demand process. The cost to produce a single plate is \$5.88. The production cost for a pair is \$7.23.

Under the bill, a person obtaining the “American Legion” license plate is required to 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 fee is 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 plate will total at a minimum between \$882 (150 persons x \$5.88) and \$1,085 (150 persons x \$7.23), and the administrative fees collected will total at least \$1,500 (150 persons x \$10).
- In subsequent years, the BMV will collect \$10 for each new or renewed license plate. For each new plate issued, the production cost will be \$5.88 and \$7.23 for a single plate and pair of plates, respectively.

American Legion, Department of Ohio, Inc.

The \$10 contribution paid for the issuance of the “American Legion” license plate will be credited to the existing License Plate Contribution Fund (Fund 5V10), and then paid to the American Legion, Department of Ohio, Inc. to support activities of the organization.

- Assuming the license plate satisfies the minimum 150-person registration requirement, then, in the first year, the American Legion, Department of Ohio, Inc. will receive at least \$1,500 (150 persons x \$10 contribution).
- In subsequent years, the American Legion, Department of Ohio, Inc. will collect \$10 for each new or renewed license plate.

“Ohio Sons of the American Legion” license plate

The bill redirects the required \$10 contribution for the existing “Ohio Sons of the American Legion” license plate from the Ohio Sons of the American Legion to the Ohio Past Detachment Commanders Club, Inc., to support the activities of the organization. The “Sons of the American Legion” license plate was enacted in S.B. 163 of the 133rd General Assembly. In 2021, there were a total of 48 active “Sons of the American Legion” license plates.