

## Ohio Legislative Service Commission

Office of Research and Drafting

Legislative Budget
Office

H.B. 223 135<sup>th</sup> General Assembly

## Fiscal Note & Local Impact Statement

Click here for H.B. 223's Bill Analysis

Version: As Reported by House Homeland Security

Primary Sponsor: Rep. J. Thomas

Local Impact Statement Procedure Required: No

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## **Highlights**

- The bill creates the "Jackson Local Schools" license plate. The license plate is subject to the minimum registration requirements of 150 applicants for the first year.
- The Bureau of Motor Vehicles (BMV) will incur at least \$6.25 to produce each "Jackson Local Schools" license plate issued. That cost will be offset by the collection of the \$10 BMV administrative fee that is charged under existing law when a specialty license plate is issued or renewed.
- The Jackson Local School Foundation and the Jackson High School Alumni Association will each receive \$15 for each "Jackson Local Schools" license plate that is issued or renewed.
- The bill has no direct fiscal effect on any of the state's political subdivisions.

## **Detailed Analysis**

The bill creates the "Jackson Local Schools" license plate, which is available to all Ohio motorists, and requires a person to pay an additional \$40 when the plate is issued and renewed. A portion of that fee is retained by the Bureau of Motor Vehicles (BMV), with the remainder distributed equally to the Jackson Local School Foundation and the Jackson High School Alumni Association. The table below shows the distribution of that amount.

"Jackson Local Schools" License Plate				
BMV Fee	Required Contribution		Contribution Recipient	Required Use of Contribution
\$10	\$30		\$15 to the Jackson Local School Foundation \$15 to the Jackson High School Alumni Association	Contributions received must be used for the Jackson Local School Foundation's and the Jackson High School Alumni Association's respective purposes.

Specialty license plates are produced by the BMV via a digital print-on-demand process at a cost of \$6.25 for a single license plate, \$7.60 for a pair. These costs will be offset by the collection of the \$10 BMV administrative fee which is paid at the initial issuance of the license plate and for each subsequent renewal and 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.

The "Jackson Local Schools" license plate is subject to existing law's implementation procedure, meaning that the Registrar of Motor Vehicles does not have to issue the license plate until written statements from at least 150 people indicating their intent to apply for and obtain the license plate have been received.<sup>2</sup>

Assuming the minimum number of applicants meets the threshold of 150 for the first year that the "Jackson Local Schools" license plate is available, the BMV will incur production costs of at least \$937.50 (150 persons x \$6.25), which will be offset by the collection of at least \$1,500 (150 persons x \$10) in BMV fees. The amount generated for the Jackson Local School Foundation and the Jackson High School Alumni Association will total at least \$2,250 (150 persons x \$15) each. In subsequent years, those amounts will vary and depend on the number of such plates that are issued or renewed.

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<sup>&</sup>lt;sup>1</sup> Under current law, a person registering a motor vehicle may elect to purchase a single license plate or a set of two plates.

<sup>&</sup>lt;sup>2</sup> R.C. 4503.78.