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## Ohio Legislative Service Commission

Office of Research and Drafting

Legislative Budget
Office
H.B. 287
$135^{\text {th }}$ General Assembly

# Fiscal Note \& Local Impact Statement 

Click here for H.B. 287's Bill Analysis

Version: As Reported by House Homeland Security
Primary Sponsor: Rep. Baker
Local Impact Statement Procedure Required: No
Maggie West, Senior Budget Analyst

## Highlights

- The bill creates the "Terrace Park" 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 costs of at least $\$ 6.25$ to produce each "Terrace Park" 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 Terrace Park Recreation Committee, Inc. will receive \$20 for each "Terrace Park" 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 "Terrace Park" license plate, which is available to all Ohio motorists, and requires a person to pay an additional $\$ 30$ 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 to the Terrace Park Recreation Committee, Inc. The table below shows the distribution of that amount.

| "Terrace Park" License Plate |  |  |  |
| :---: | :---: | :--- | :--- |
| BMV Fee | Required <br> Contribution | Contribution Recipient | Statutory Use of Contribution |
| $\$ 10$ | $\$ 20$ | Terrace Park Recreation <br> Committee, Inc. | Offering scholarships to young athletes living <br> in Terrace Park and maintaining athletic <br> facilities in Terrace Park |

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, or $\$ 7.60$ for a pair. ${ }^{1}$ These costs will be offset by the collection of the $\$ 10 \mathrm{BMV}$ 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 "Terrace Park" 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. ${ }^{2}$

Assuming the minimum number of applicants meets the threshold of 150 for the first year that the "Terrace Park" license plate is available, the BMV will incur production costs of at least $\$ 937.50$ ( 150 persons $\times \$ 6.25$ ), which will be offset by the collection of at least $\$ 1,500$ (150 persons $x \$ 10$ ) in BMV fees. The amount generated for the Terrace Park Recreation Committee, Inc., will total at least $\$ 3,000$ ( 150 persons $\times \$ 20$ ). In subsequent years, those amounts will vary and depend on the number of such plates that are issued or renewed.

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[^0]:    ${ }^{1}$ Under current law, a person registering a motor vehicle may elect to purchase a single license plate or a set of two plates.
    ${ }^{2}$ R.C. 4503.78.

