

Fiscal Note & Local Impact Statement

123rd General Assembly of Ohio

BILL: S.B. 120

DATE: May 12, 1999

STATUS: As Introduced

SPONSOR: Sen. Watts

LOCAL IMPACT STATEMENT REQUIRED: Yes

CONTENTS: Modifications to Veterans' Affairs law including the Purple Heart license plate, distribution of veterans' materials to public high schools, flying of Ohio burgees in Ohio Veterans Plaza, designation of November 10 as "V.E.T.S Day", submission of discharge certificates to Governor's Office of Veterans Affairs

State Fiscal Highlights

STATE FUND	FY 2000	FY 2001	FUTURE YEARS
Bureau of Motor Vehicles Fund (4W4)			
Revenues	\$12,795 loss	\$25,590 loss	\$25,590 loss declining over time
Expenditures	- 0 -	- 0 -	- 0 -
GRF (Department of Education)			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	\$17,675 increase	- 0 -	- 0 -
GRF (Capitol Square Review and Advisory Board)			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	Approximate \$8,000 increase	Approximate \$8,000 increase	Approximate \$8,000 increase
GRF (Governor's Office of Veterans Affairs)			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	Potential negligible increase	Potential negligible increase	Potential negligible increase

Note: The state fiscal year is July 1 through June 30. For example, FY 2000 is July 1, 1999 – June 30, 2000.

- Loss of approximately \$25,590 annually to the Bureau of Motor Vehicles Fund (4W4). To make up for this revenue loss, the BMV would instead draw from automobile registration fund money that otherwise would be distributed to local governments.
- Expenditure of \$17,675 by the Department of Education for the costs of purchasing, shipping and handling a copy of a book and video to each of the state's 707 public high school libraries.
- Requiring the Ohio burgees in Ohio Veterans Plaza to be flown continuously from May 6 to December 8 will be a substantial increase to the current number of days and will require burgee replacement, additional staff time and maintenance costs to the plaza, estimated at \$8,000 per year.



- Governor’s Office of Veterans’ Affairs will be required to maintain records of military release form DD214, from each county’s commission members and service officers. As the office already maintains records of these forms for exiting officers, this provision will add a marginal burden to the staff.

Local Fiscal Highlights

LOCAL GOVERNMENT	FY 1999	FY 2000	FUTURE YEARS
Counties, Municipalities and Townships			
Revenues	- 0 -	\$25,590 total loss	\$25,590 total loss, declining over time
Expenditures	- 0 -	- 0 -	- 0 -
School Districts			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	Potential negligible increase	Potential negligible increase	Potential negligible increase

Note: For most local governments, the fiscal year is the calendar year. The school district fiscal year is July 1 through June 30.

- Total loss to all counties, municipalities, and townships of approximately \$25,590 annually (see highlight regarding the Bureau of Motor Vehicles).
- The bill designates November 10th as Veterans Educate Today’s Students Day (V.E.T.S. Day) and encourages school districts to invite Veterans to visit schools and discuss their military experience. This provision does not require school districts to acquire additional services or materials and would require no more than a potential negligible increase in school district expenditures.

Detailed Fiscal Analysis

As this bill impacts a number of different agencies, the provisions and fiscal effects of the bill are described under the following subheadings listing those agencies affected.

Bureau of Motor Vehicles Counties, Municipalities and Townships

The bill would eliminate the additional \$10 fee that a person pays to compensate the Bureau of Motor Vehicles (BMV) for the actual costs when renewing special plates to those who were awarded the Purple Heart. Since these fees represent actual costs incurred by the Bureau, the loss would have to be made up somewhere. The BMV would draw a larger portion of the automobile registration dollars that otherwise would be distributed to local governments.

Number of Purple Heart license plates issued/renewed*

Year	Licenses
1995	2,186
1996	2,554
1997	2,442
1998	3,052
1999**	822

*The BMV groups together plates issued and renewed

** Through the end of March 1999

According to records at the BMV, an average of 2,559 Purple Heart license plates were issued or renewed over the 1995-1998 period. Therefore, the loss to local governments would be approximately \$25,590 (2,559 X \$10) annually statewide.

Department of Education

The provisions of this bill require the Department of Education to provide each public high school library a copy of the book "Letters Home: The Letters of the Ohio Veterans Plaza" and a videotape of the Ohio Veterans Plaza. Together, these two items cost \$17 and there would be an approximate additional cost of \$8 (including staff time). Therefore, the cost of this distribution would be \$17,675 (\$25 X 707 public high school libraries).

Capitol Review and Advisory Board

The bill requires the Ohio burgees to be flown continuously from May 6 to December 8 each year in Ohio Veterans Plaza. Currently, the burgees are only flown before, during and after special events or holidays. Under the current usage pattern, a set of burgees will last approximately two years before replacement is needed.

If this bill is passed, the burgees will need to be replaced three times each season from wear and damage. The cost of all 88 burgees is \$1,628 and, therefore, the flags alone will cost \$4,884 (\$1,628 X 3 changes). The additional costs associated with this provision result from additional staff hours from doing the burgee change and maintenance issues. As the plaza is currently designed, the 88 stands are not engineered to support the strain from constant stress from the flags, especially during adverse weather. Therefore, replacement materials for the flag stands are included in the total \$8,000 approximate annual cost.

Governor's Office of Veterans' Affairs

According to the bill, the Governor's Office on Veterans' Affairs will be responsible to record release form DD214 from all veterans serving on the 88 county commissions or acting as a service officer. The office has already been collecting these records for all veterans so the provision would cause only a marginal increase in expenditures.

School Districts

The bill encourages school districts to invite veterans to discuss their military experiences on November 10th, designated as Veterans Educate Today's Students Day (V.E.T.S. Day). Since the bill does not prescribe more than this encouragement, there is no requirement for school districts to acquire additional services or materials. Schools could conduct this provision through such methods as normal classroom instruction or building-wide assemblies that could be implemented with a negligible increase in school district expenditures.

*□ LBO staff: Brian A. Friedman, Budget/Policy Analyst
Clifford R. Marsh, Budget/Policy Analyst*

\\Budget_office\isis_voll.lbo\FN123\Sb0120in.doc

VET, CSR, GOV, PSD