

- **State assisted colleges and universities.** The state entities that could be affected by the bill appear to be state assisted colleges and universities that: (1) currently operate as a restricted tuition fee service provider, or (2) currently do not participate in the program, but might opt to do so due to the fact that there is no tuition fee restriction. If such an entity participates as an unrestricted tuition fee service provider, then, presumably, more revenues would be collected than if that entity were to participate as a restricted tuition fee service provider. The effect on expenditures would be a function of whether the entity is currently a service provider and other economic conditions; for example, the price of that service relative to demand and competition. As of this writing, LSC fiscal staff is not in a position to ascertain how the market conditions in any given jurisdiction might influence service provider decisions and the resulting revenue and expenditure implications.

Local Fiscal Highlights

LOCAL GOVERNMENT	FY 2007	FY 2008	FUTURE YEARS
Certain Counties, Municipalities, Townships, and School Districts (those delivering motorcycle operation instruction)			
Revenues	Uncertain effect, dependent upon: (1) current program involvement, and (2) surrounding market (demand, cost, and availability of instruction)	Uncertain effect, dependent upon: (1) current program involvement, and (2) surrounding market (demand, cost, and availability of instruction)	Uncertain effect, dependent upon: (1) current program involvement, and (2) surrounding market (demand, cost, and availability of instruction)
Expenditures	Uncertain effect, dependent upon surrounding market (demand, cost, and availability of instruction)	Uncertain effect, dependent upon surrounding market (demand, cost, and availability of instruction)	Uncertain effect, dependent upon surrounding market (demand, cost, and availability of instruction)

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

- The governmental entities that could be affected by the bill would be counties, municipalities, townships, or school districts that: (1) currently operate as a restricted tuition fee service provider, or (2) currently do not participate in the program, but might opt to do so due to the fact that there is no tuition fee restriction. If such an entity participates as an unrestricted tuition fee service provider, then, presumably, more revenues would be collected than if that entity were to participate as a restricted tuition fee service provider. The effect on expenditures would be a function of whether the entity is currently a service provider and other economic conditions; for example, the price of that service relative to demand and competition. As of this writing, LSC fiscal staff is not in a position to ascertain how the market conditions in any given jurisdiction might influence service provider decisions and the resulting revenue and expenditure implications.

Detailed Fiscal Analysis

Motorcycle Safety and Education Program

Pursuant to current law, the Department of Public Safety administers the state motorcycle safety and education program that involves what might be termed separate restricted tuition fee and unrestricted tuition fee service delivery systems. Under the restricted tuition fee service delivery system, courses of instruction are taught by certified instructors and are conducted at vocational schools, community colleges, and other suitable locations. The providers are permitted to charge and retain a reasonable tuition fee, which is currently set at \$25.

Under the unrestricted tuition fee service delivery system, the Department is permitted to authorize *private organizations or corporations* to offer courses without tuition fee restrictions, but these entities are not eligible to be reimbursed from the Department's Motorcycle Safety and Education Fund (Fund 846) for their expenses or subsidies.

Currently, there appear to be ten such private organizations offering certified motorcycle safety and education courses. The table below lists the current fees charged by these ten providers for basic new rider instruction courses.

**Private Provider Fees for
New Rider Instruction Courses**

Provider	Location	Fee*
Lake Erie Harley Davidson	Avon	\$325
Liberty Harley Davidson	Boston Heights	\$325
A.D. Farrow Co. Harley Davidson	Columbus	\$295
Adventure Harley Davidson	Dover	\$299
Hinderer Honda Powersports	Heath	\$150
Mid-Ohio Motorcycle School	Lexington	\$295
Western Reserve Harley Davidson	Mentor	\$325
Freedom Harley Davidson	North Canton	\$300
State 8 Motorcycles	Peninsula	\$295
Toledo Harley Davidson	Toledo	\$325

* As of May 21, 2007.

Operation of the bill

The bill permits the Director of Public Safety to authorize public entities such as vocational schools and community colleges to offer instruction courses without fee restrictions. As with private organizations and corporations that offer the courses, any such public entity that offers the courses will not be eligible for reimbursement from the Motorcycle Safety and Education Fund (Fund 846) for its expenses. Such an outcome, presumably, creates an opportunity to reduce the amount of Fund 846 reimbursement money that might otherwise have been disbursed annually. As of this writing, the magnitude of that potential annual expenditure reduction, if any, is uncertain.

The governmental entities that could be affected by the bill appear to be state assisted colleges and universities or local jurisdictions (counties, municipalities, townships, and school districts) that: (1) currently operate as a restricted tuition fee service provider, or (2) currently do not participate in the program, but might opt to do so due to the fact that there is no tuition fee restriction. If such an entity participates as an unrestricted tuition fee service provider, then, presumably, more revenues would be collected than if that entity were to participate as a restricted tuition fee service provider. The effect on expenditures would be a function of whether the entity is currently a service provider and other economic conditions; for example, the price of that service relative to demand and competition. As of this writing, LSC fiscal staff is not in a position to ascertain how the market conditions in any given jurisdiction might influence service provider decisions and the resulting revenue and expenditure implications.

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