

Fiscal Note & Local Impact Statement

127th General Assembly of Ohio

Ohio Legislative Service Commission
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BILL: **Sub. S.B. 243** DATE: **December 12, 2008**
STATUS: **As Passed by the House** SPONSOR: **Sen. Schaffer**
LOCAL IMPACT STATEMENT REQUIRED: **No — No local cost**
CONTENTS: **To designate certain memorial highways, create new types of license plates, and officially recognize various dates**

State Fiscal Highlights

STATE FUND	FY 2009 – FUTURE YEARS
Highway Operating Fund (Fund 7002)	
Revenues	- 0 -
Expenditures	Potential minimal annual increase to install and maintain markers
Bureau of Motor Vehicles Fund (Fund 4W40)	
Revenues	Potential gain, annual magnitude dependent on license plate sales
Expenditures	Potential increase, annual magnitude dependent on license plate sales
License Plate Contribution Fund (Fund 5V10)	
Revenues	Potential gain, annual magnitude dependent on license plate sales
Expenditures	Potential increase, annual magnitude dependent on license plate sales

- **Highway Operating Fund (Fund 7002).** The Ohio Department of Transportation (ODOT) may experience minimal costs to install suitable markers along the designated portions of various state and U.S. highways listed in the bill.
- **State Bureau of Motor Vehicles Fund (Fund 4W40).** The fiscal effect of the bill's special license plate provisions on the state, in particular the Department of Public Safety's Bureau of Motor Vehicles (BMV) and its Fund 4W40, will be dependent on the number of special license plates actually issued. LSC fiscal staff is unable to estimate the demand and production costs for these special license plates, or the additional revenues that may be collected. This means that the potential annual magnitude of the gain in BMV's Fund 4W40 special license plate revenues and any related increase in operating expenses is uncertain.
- **License Plate Contribution Fund (Fund 5V10).** The bill requires the Registrar to collect contributions ranging from \$10 to \$25 when issuing certain special license plates named in the bill, and to deposit all such contributions in the state treasury to the credit of the existing License Plate Contribution Fund (Fund 5V10). The amount of money that would be collected annually is uncertain.



Local Fiscal Highlights

LOCAL GOVERNMENT	FY 2009 – FUTURE YEARS
Certain Municipalities (whose boundaries include bill's designated highways)	
Revenues	- 0 -
Expenditures	Potential minimal annual increase to install and maintain markers
Counties, Municipalities, and Townships (redistributed Public Safety revenues)	
Revenues	Potential minimal annual effect
Expenditures	- 0 -

- **Municipal signage costs.** If the Ohio Department of Transportation chooses not to erect the markers, municipalities may install markers on the designated portions of various state and U.S. highways listed in the bill at a minimal cost.
- **Redistributed Public Safety revenues.** Whenever the state's BMV Fund 4W40 cash flow changes, local governments may also be affected in some manner. As BMV's expenses or revenue sources increase or decrease, moneys available for redistribution to local governments may increase or decrease. The manner in which the bill may affect that cash flow dynamic, if at all, is uncertain. That said, LSC fiscal staff has not gathered any information suggesting that the potential magnitude of the annual fiscal effect on any local government would be more than minimal, if that. In this context, "minimal" means an estimated annual revenue gain or loss of: (1) no more than \$5,000 for any affected county, city, or township with a population of 5,000 or more, and (2) no more than \$1,000 for any affected village or township with a population of less than 5,000.

Detailed Fiscal Analysis

Highway signage

The Ohio Department of Transportation (ODOT) may incur minimal costs to install suitable markers, such as plaques or signs, along the roads designated in the bill as memorial highways or bridges. Current costs to manufacture, install, and maintain a single set of memorial plaques or markers at one location is estimated to be a few hundred dollars, depending on the size of the marker(s), equipment and materials needed to install them, and the frequency of maintenance. The designated roads and bridges are noted in the table below along with their approximate locations.

Memorial Designations		
Designation	Road	County (Municipality or Township)
Branch Rickey Memorial Highway	US-23	Delaware (Delaware)
Peter J. Delucia Memorial Bridge	I-76	Mahoning (Lake Milton)
LCPL Nicholas B. Erdy Memorial Highway	US-50 E	Clermont County
S.Sgt. Matt Maupin Veteran's Memorial Highway	I-275	Clermont County
Ohio Veterans Memorial Bridge	US-20	Ashtabula (Conneaut)
Cpl. Joshua Harmon Memorial Highway	I-90	Lake (Willoughby Hills)
LCPL Danny Scherry Memorial Highway	I-90	Cuyahoga (Rocky River)
Lance Cpl. Kevin S. Smith Memorial Highway	SR-344	Clark County
Sergeant Jeremy D. Barnett Memorial Highway	SR-800	Tuscarawas (Mineral City)
Cpl. Samuel F. Pearson Memorial Highway	SR-66 S	Miami (Piqua)
Trooper Wendy G. Everett Memorial Highway	I-270	Franklin County (Grove City)
Patrolman Jerry R. Neff Memorial Highway	US-62	Southwest Franklin County
Trooper Jody S. Dye Memorial Highway	I-270	Franklin County (Columbus)
Deputy Lawrence Barnes Memorial Bridge	US-50 W	Ross (Slate Mills)
Carl B. Stokes Memorial Highway	SR-2	Cuyahoga County

When a highway or bridge is designated as a memorial, the Department typically installs a memorial plaque in a rest area, scenic overlook, recreational area, or other appropriate location.¹ If that is not practical, a marker is installed along the highway or near the bridge instead. At one location two plaques or two markers are usually installed, one in each direction.

If the Department chooses not to install the plaques or markers, municipalities may install such markers on the designated portions of road within municipal boundaries at their expense. Costs to municipalities are likely to be minimal and estimated to be similar to those incurred for the state.

¹ Ohio Manual of Uniform Traffic Control Devices for Streets and Highways, 2003.

Special license plates

The eight special license plates created by the bill are summarized in the table immediately below. Also noted is: (1) whether the applicant will be required to pay the Bureau of Motor Vehicles (BMV) a \$10 fee to compensate the Bureau for additional services required in the issuing of the special license plates, and (2) the amount of the contribution, if any, that the applicant will be required to pay. The \$10 BMV fee would be deposited to the credit of the existing Bureau of Motor Vehicles Operating Fund (Fund 4W40). Any moneys collected in the form of a contribution would be deposited to the credit of the existing License Plate Contribution Fund (Fund 5V10).

Special License Plate	\$10 BMV Fee	Contribution
Ohio National Guard – Retired	No	None
Multiple Sclerosis	Yes	\$15
Sickle Cell Anemia	Yes	\$10
Historically Black Fraternity-Sorority	Yes	None
Afghanistan/Iraq Veteran	No	None
Thank you U.S. Military	Yes	\$10
In God We Trust	Yes	None
Support Our Troops	Yes	\$25

State fiscal effects

The fiscal effect on the state, in particular the Department of Public Safety's Bureau of Motor Vehicles and its Fund 4W40, will be dependent on the number of special license plates actually issued. LSC fiscal staff is unable to estimate the demand and production costs for any of these special license plates. Thus, the potential magnitude of the annual gain in BMV's special license plate revenues and related increase in annual operating expenses is uncertain. This would mean that whether the demand for any of these special license plates will offset BMV's production costs is uncertain as well. The amount of additional money that will likely be generated from "contributions" paid by applicants for deposit in the License Plate Contribution Fund annually is uncertain.

Local fiscal effects

Whenever BMV's Fund 4W40 cash flow changes, local governments may also be affected in some manner. Most collected local and state motor vehicle license taxes are deposited into a holding account within the Department of Public Safety. Monthly, an assessment of Fund 4W40 occurs and cash is transferred from the holding account to Fund 4W40 in order to cover BMV's monthly operating expenses. Any remaining funds in the holding account are then forwarded to local governments (counties, municipalities, and townships) to use for transportation-related needs such as roads and bridges. As BMV's expenses or revenue sources increase or decrease, moneys available for redistribution to local governments may increase or decrease. As of this writing, how the bill may affect that cash flow dynamic is uncertain. That said, LSC fiscal staff has not gathered any information suggesting that the potential magnitude of the annual fiscal effect on any given local government would be more than minimal, if that. In this context, "minimal" means an estimated annual revenue gain or loss

of: (1) no more than \$5,000 for any affected county, city, or township with a population of 5,000 or more, and (2) no more than \$1,000 for any affected village or township with a population of less than 5,000.

State designations

The bill makes the following designations:

- The tomato as the state fruit;
- The pawpaw as the state native fruit;
- The month of January as "Fibromyalgia Awareness Month";
- The 6th day of February as "Ronald Reagan Day";
- The calendar week including the 8th day of February as "Ohio Boy Scout Week";
- The month of February as "Black History Month";
- The month of May as "Nurses Month";
- The month of May as "Melanoma/Skin Cancer Detection and Prevention Month";
- The 19th of June as "Juneteenth National Freedom Day";
- The 3rd Saturday in August as "Brothers and Sisters' Day";
- The 1st Saturday following the 1st Monday in September as "Lithopolis Honeyfest Day";
- The 3rd week of September as "Mitochondrial Disease Awareness Week";
- The 4th Sunday in September as "Internet Safety Day";
- The month of September as "Brain Aneurysm Awareness Month";
- The month of September as "Ohio Preparedness Month";
- The month of September as "Childhood Cancer Awareness Month";
- The month of September as "Ovarian Cancer Awareness Month";
- The 22nd Day of October as "U.S.S. Hocking Day";
- The month of October as "Crime Prevention Month";
- The month of October as "Disability Employment Awareness Month";
- The Saturday immediately preceding Thanksgiving Day as "Adoption Day";
- The month of November as "Epilepsy Awareness Month";
- The month of November as "Omega Psi Phi Month";
- The 21st of December as "Homeless Persons' Memorial Day";
- "Ohio Save for Retirement Week" as the same week as "National Save for Retirement Week"; and
- Calendar year 2008 as "Year of the Veteran."

The bill does not require any action by the state or its political subdivisions to recognize these official designations, thus there would be no new costs for the state or its political subdivisions. If the designations were added to brochures or other printed matter, for example, the change would be made as existing supplies are replenished. If the state or local governments chose to observe this day with commemorative events, those costs would be entirely permissive.

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