Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: Sub. H.B. 50 of the 128th G.A. **Date**: May 27, 2010

Status: As Enacted **Sponsor**: Rep. Domenick

Local Impact Statement Procedure Required: No — No local cost

Contents: Motor vehicle certificates of registration and pilot certification to carry passengers

State Fiscal Highlights

STATE FUND	FY 2011 – FUTURE YEARS
State Bureau of Motor Vehicles Fund (Fund 4W40)	
Revenues	- 0 -
Expenditures	(1) One-time, at most minimal, programming cost; (2) At most, minimal annual increase in deputy registrar supply costs

Note: The state fiscal year is July 1 through June 30. For example, FY 2011 is July 1, 2010 – June 30, 2011.

- LSC fiscal staff estimates that the Department of Public Safety's State Bureau of Motor Vehicles will incur both minimal one-time and ongoing costs to implement the necessary changes to the form in which certificates of registration are issued. Minimal herein means a state cost estimated at less than $100,000 per year. Any such costs would likely be paid with moneys appropriated from the Department's State Bureau of Motor Vehicles Fund (Fund 4W40).

Local Fiscal Highlights

- The bill changes Ohio law dealing with aircraft pilot certification to conform to less restrictive federal rules specifying the conditions under which pilots may transport passengers. Although rare already, this could result in fewer violations and lower costs for local criminal justice systems.

Detailed Fiscal Analysis

Operation of the bill

The bill requires that a motor vehicle certificate of registration include a portion that contains all the information contained in the main portion of the certificate except the address of the person to whom the certificate is issued. The bill also makes changes to Ohio law in order to conform to federal rules regarding the type of certification a pilot needs in order to carry passengers.

State fiscal effects

Motor vehicle certificates of registration

The bill's provisions will likely generate two kinds of costs for the Department of Public Safety's State Bureau of Motor Vehicles (BMV), which will be responsible for implementing the required changes to the manner in which certificates of registration are issued. Based on an initial assessment provided by the Department's staff, those costs can be described as follows:

- The design of the registration form will require an estimated 80 hours of programming staff time for the forms printed at the deputy registrars and 100 hours of programming staff time for the forms issued through mail-in and OPLATES registrations. The vendor for OPLATES will redesign the vehicle registration card at no additional charge to the state.
- The required supplemental portion of the certificate of registration will likely be more paper-intensive than the current form and require the BMV to provide deputy registrars with more paper and toner than is the case under current law and practice.

LSC fiscal staff estimates that these one-time and ongoing costs will be, at most, minimal. Minimal herein means a state cost estimated at less than $100,000 per year. Any such costs would likely be paid with moneys appropriated from the Department's State Bureau of Motor Vehicles Fund (Fund 4W40).

Pilot certification to carry passengers

Federal law establishes six certificate of competency grades for aircraft pilots, each of which has specified privileges and restrictions. The grades are: student, sport, recreational, private, commercial, and airline transport. Current Ohio law permits a pilot to carry passengers if the pilot holds a certificate of competency in the grade of "private pilot" or higher. In contrast, Federal Aviation Administration (FAA) rules now permit pilots with the lower "recreational" and "sport" grades of certification to carry one passenger during daylight hours, putting Ohio law in conflict with federal regulations. In response, the bill conforms Ohio law to the federal rules by establishing a general prohibition against any pilot carrying passengers in an aircraft unless the pilot

has a certificate of competency permitting passengers to be carried and the pilot carries the passenger pursuant to the requirements of the certificate.

According to the Ohio Department of Transportation (ODOT), which houses the Office of Aviation, certificate of competency requirements are not enforced by that Office. Rather, the appropriate law enforcement agency enforces these requirements and typically does so only in cases when responding to an aircraft accident or incident. Thus, the bill would have no direct fiscal effect on the Office of Aviation.

Local fiscal effects

Currently, a person could still be charged with violating Ohio law if it was found that the person carried a passenger with a certificate of competency grade lower than "private pilot" even though the federal rules now permit it in certain circumstances. The penalty for such a violation is a fine of no more than $500, jail time of no more than six months, or both. These are sanctions consistent with an unclassified misdemeanor. Though ODOT is unaware of any violations resulting from the differences between FAA rules and Ohio law, in theory, the change may result in fewer prosecutions and convictions due to fewer circumstances in which a violation of state law could apply.

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