



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: [H.B. 270 of the 129th G.A.](#)

Date: November 10, 2011

Status: As Introduced

Sponsor: Rep. Williams

Local Impact Statement Procedure Required: No

Contents: Ohio Legislative Black Caucus Foundation license plates

State Fiscal Highlights

- The special license plate created by the bill will cost the State Bureau of Motor Vehicles about \$7 per pair of plates issued. These costs will be offset by an increase in revenue of \$10 per pair of plates issued.
- The license plates will also generate an additional \$15 per pair of plates issued, which will be used to fund scholarships sponsored by the Ohio Legislative Black Caucus Foundation.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The bill (1) creates the Ohio Legislative Black Caucus Foundation license plate, (2) requires the Registrar of Motor Vehicles to collect an administrative fee of \$10, (3) requires the Registrar to collect a contribution of \$15 to be distributed to the Ohio Legislative Black Caucus Foundation, and (4) exempts this plate from continuing law requiring a minimum of 500 pairs of plates issued.

State fiscal effects

Bureau of Motor Vehicles

The Bureau of Motor Vehicles (BMV) currently produces special license plates via a digital print on demand process. The total cost to produce a pair of these license plates is currently \$6.37. Under the bill, persons obtaining an Ohio Legislative Black Caucus Foundation license plate must pay an additional administrative fee of \$10 per pair of license plates, more than offsetting the additional costs. The BMV uses the State Bureau of Motor Vehicles Fund (Fund 4W40) to receive the revenue and pay the costs of issuing license plates.

Ohio Legislative Black Caucus Foundation

The bill also establishes an additional contribution of \$15 per pair of plates to be deposited in the License Plate Contribution Fund (Fund 5V10). This revenue is to be used for a scholarship program under the direction of the Ohio Legislative Black Caucus Foundation. The scholarships are to be awarded to students who attend Central State University or Wilberforce University.

Local fiscal effects

Redistributed BMV revenues

The bill does not have a direct fiscal effect on local political subdivisions. However, whenever Fund 4W40's cash flow changes, local governments may be indirectly affected. Monthly, an assessment of Fund 4W40 occurs and excess cash not needed for BMV's monthly operating expenses is transferred to the state's Auto Registration Distribution Fund (Fund 7051). Cash in Fund 7051 is distributed 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 accordingly. Thus, if BMV collects more in administrative fee revenue than it costs to produce and distribute a special license plate, there may be more cash available for distribution back to certain local governments via Fund 7051.