



Ohio Legislative Service Commission

Sara D. Anderson

Fiscal Note & Local Impact Statement

Bill: [S.B. 273 of the 129th G.A.](#)

Date: February 14, 2012

Status: As Introduced

Sponsor: Sen. Faber

Local Impact Statement Procedure Required: No

Contents: Makes changes to the law related to salvage motor vehicle dealers

State Fiscal Highlights

- The bill eliminates the buyer identification card requirement for motor vehicle salvage buyers, which will result in a loss of revenue to the State Bureau of Motor Vehicles Fund (Fund 4W40), used by the Department of Public Safety, of approximately \$19,000 per year.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The bill makes changes to the salvage motor vehicle law including: (1) eliminating the requirement for salvage motor vehicle dealers to have a buyer's identification card and (2) eliminating the requirement to obtain a salvage motor vehicle dealer's license if the acquisition and disposal of salvage motor vehicles is incidental to a person's primary business.

Buyer's identification card

The bill eliminates the requirement that salvage motor vehicle buyers register for a biennial buyer's identification card. Current law requires that a salvage motor vehicle buyer who wants to purchase salvage motor vehicles at a salvage auction, or salvage pool, file an application with the Registrar of Motor Vehicles for a buyer's identification card. This card has a \$35 biennial fee that is deposited to the credit of the State Bureau of Motor Vehicles Fund (Fund 4W40), used by the Department of Public Safety. According to the Department, there are currently about 1,100 active salvage buyers. Given that the buyer's identification card is a two-year registration, there are approximately 550 (1,100/2) annual purchases of the card. The elimination of the card will, therefore, result in a loss of revenue to Fund 4W40 totaling about \$19,250 (550 x \$35) per year.

Salvage motor vehicle dealer license

The bill also eliminates the requirement that a salvage motor vehicle dealer obtain a license, as long as the acquisition and disposal of salvage motor vehicles is incidental to the primary business of that dealer. A salvage motor vehicle dealer's license is a biennial license with a fee of \$100, deposited to the credit of Fund 4W40. There are currently approximately 600 licensed salvage motor vehicle dealers in Ohio, so revenue from the license is currently about \$30,000 (600/2 x \$100). It is not known how many of the current dealers would not have to have a license under the bill. Given the low amount of total revenue collected from the license currently, however, it is unlikely that this provision would result in more than a negligible loss in revenues to Fund 4W40.