Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: Sub. H.B. 23 of the 130th G.A. **Date**: October 31, 2013

Status: As Reported by Senate Transportation **Sponsor**: Rep. Gonzales

Local Impact Statement Procedure Required: No

Contents: Creates the Ovarian Cancer Awareness license plate and makes corrections to certain memorial highway designations

State Fiscal Highlights

- The special license plate created by the bill will cost the State Bureau of Motor Vehicles (BMV) about $7 per pair of plates issued. These costs will be offset by an increase in revenue of $10 per pair of plates.
- The Ovarian Cancer Awareness license plates will generate an additional $25 per pair of plates issued, which will be distributed to the Cancer Support Community Central Ohio's Sheryl L. Kraner Fund.
- The Department of Transportation could incur minimal costs if it is necessary to make any changes to signage resulting from corrections to memorial highway designations made in the bill.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

Ovarian Cancer Awareness license plate

The bill creates the Ovarian Cancer Awareness license plate and requires both a $25 contribution to be deposited to the credit of the License Plate Contribution Fund (Fund 5V10) and distributed to the Cancer Support Community Central Ohio's Sheryl L. Kraner Fund and a $10 administrative fee to be deposited to the credit of the State Bureau of Motor Vehicles Fund (Fund 4W40) to offset the increased cost of producing a special license plate.

State fiscal effects

Bureau of Motor Vehicles

The BMV currently produces special license plates via a digital print on demand process. Generally, the BMV must sell a minimum of 500 pairs of special license plates annually, or the sales of that license plate may be suspended. The total cost to produce a pair of these license plates is currently $6.37. Under the bill, persons obtaining an Ovarian Cancer Awareness license plate must pay an additional administrative fee of $10 per pair of license plates, more than offsetting the costs for those plates. The BMV uses Fund 4W40 to receive the revenue and pay the costs of issuing license plates.

License Plate Contribution Fund

The BMV uses Fund 5V10 to collect contributions for those license plates that require them and then, from there, distributes the money to the designated recipient. The cost of an Ovarian Cancer Awareness license plate includes a $25 contribution to the Cancer Support Community Central Ohio's Sheryl L. Kraner Fund. The organization is required to use the funds it receives from the sale of these special license plates in the same manner that all other moneys in the Sheryl L. Kraner Fund are used.

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 the 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 the BMV's expenses or revenue sources increase or decrease, moneys available for redistribution to local governments may increase or decrease accordingly. Thus, if the 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.

Changes to memorial highway designations

The bill makes several corrective changes to memorial highways designated in Chapter 5533. of the Ohio Revised Code. These changes will only have a fiscal effect to the extent that it would be necessary for the Department of Transportation to change any signs currently in place to mark these highways. If any such changes need to be made, the cost will be minimal, and in no case would exceed the cost of replacing a sign, which is approximately $350 to $400 per sign. If no signs are already in place, or if no changes need to be made to a particular memorial highway sign, then there will be no cost.

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