



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: [Sub. S.B. 53 of the 130th G.A.](#)

Date: December 10, 2014

Status: As Reported by Senate Transportation

Sponsor: Sen. Kearney

Local Impact Statement Procedure Required: No

Contents: Requires the Registrar of Motor Vehicles and all deputy registrars to accept credit and debit cards for all transactions and establishes a document security fee

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

- A county auditor or clerk of court who is designated as a deputy registrar will incur costs to accept credit and debit card payments. Presumably, those costs will be offset by the collection of the document security fee permitted under the bill.

Detailed Fiscal Analysis

The bill: (1) requires the Bureau of Motor Vehicles and all deputy registrars to accept credit and debit cards for all transactions and (2) establishes a document security fee.

Credit and debit card transactions

The bill requires, rather than permits as under current law, the Bureau of Motor Vehicles (BMV) and all deputy registrars, which are largely privately owned and operated, to accept credit and debit cards for all financial transactions. The BMV is currently working with the Office of the Treasurer of State to implement a program to accept these forms of payment. Arguably, this requirement does not generate any additional costs for the BMV, as it is already working on establishing a credit and debit card payment program.

Under current law, unchanged by the bill, the BMV is not responsible for paying any of the fees related to debit and credit card transactions. As such, this provision will have no direct fiscal impact on the state. In the event that a county auditor or clerk of court is designated as a deputy registrar, additional costs will likely be incurred to pay the surcharge imposed for the ability to accept credit and debit card transactions.

However, it is likely that these costs will be at least partially offset by the deputy registrar's collection and retention of the document security fee discussed below.

Document security fee

The bill establishes a \$5 document security fee and permits deputy registrars to charge and retain that fee for any transaction for which a deputy registrar collects a service fee under current law. As a result, deputy registrars, including a county auditor or clerk of court who is designated as a deputy registrar, will experience an increase in revenue. Presumably, the collection of this fee will be used to offset the costs incurred by the deputy registrar to accept credit and debit card transactions. The bill's net effect is uncertain, but will likely result in some amount of additional revenue for deputy registrars.

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