

# Ohio Motor Vehicle Collision Repair Registration Board

**Senate Finance and Financial Institutions Committee**

*Jonathan Lee, Budget Analyst  
Legislative Service Commission*

*April 22, 2003*

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**LSC Redbook**  
**for the**  
**Ohio Motor Vehicle Collision**  
**Repair Registration Board**

**Senate Finance and Financial Institutions Committee**

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*April 22, 2003*

<p>Note: The estimated General Revenue Fund (GRF) spending for FY 2003 used in this LSC Redbook reflects the 2.5% reduction made as a result of the Governor's January 22, 2003 budget cut order. The executive reduction was applied across-the-board to FY 2003 GRF appropriations, subject to certain exceptions. Subsequent to such reductions (and not reflected in the Redbook), state agencies were permitted to reallocate the amount that each of their GRF appropriation line items was reduced, while still absorbing the 2.5% budget cut within the total amount of their GRF appropriations.</p>
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# Ohio Motor Vehicle Collision Repair Registration Board

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- Nearly 80% of all known collision repair facilities registered
- Recommended budget is \$7,500 less than requested

## OVERVIEW

The Ohio Motor Vehicle Collision Repair Registration Board (CRB) licenses all motor vehicle collision repair operators who perform five or more collision repairs in a 12-month period. The Board's mission is to protect the public and to create a level playing field for all collision repair facilities by ensuring that all facilities are in compliance with state and federal taxation, employment, and environmental laws. The Board has registered nearly 80% of Ohio's known independent collision repair facilities since operational inception, and continues to make efforts to register all independent collision repair facilities, through mailings, presentations, newspaper and trade magazine articles, and onsite appearances. Yet, some facilities fail to comply with legal requirements and remain unregistered. To date, the Board has six legal actions pending in the courts.

The Executive recommended \$285,497 for FY 2004, representing an increase of approximately 8.6% over FY 2003 estimated spending levels, and \$314,422 for FY 2005, representing a 10.1% increase over FY 2004 levels. The Board's total recommended budget for the biennium is \$599,919, representing a decrease of \$7,500 from requested levels.

## ANALYSIS OF EXECUTIVE PROPOSAL

### Motor Vehicle Collision Repair Board

**Purpose:** License and regulate facilities that perform collision repairs

The following table shows the line item used to fund the CRB, and the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2004	FY 2005
5H9	865-609	Operating Expenses	\$285,497	\$314,422
<b>Total funding: Motor Vehicle Collision Repair Board</b>			<b>\$285,497</b>	<b>\$314,422</b>

### Ohio Motor Vehicle Collision Repair Registration Board

**Program Description:** In accordance with Chapter 4775. of the Revised Code, the Ohio Motor Vehicle Collision Repair Registration Board registers all motor vehicle collision repair shops in the state that repair more than five automobiles per year. The Board was created by Am. Sub. H.B. 143 of the 122nd General Assembly. The Board’s administrative rules became effective on January 21, 1999.

Fiscal year 2000 was the first year in which the Board was fully operational. The Board received \$263,838 from the Controlling Board (request number CRB901 – July 27, 1998) to cover the Board’s start up costs in its first year (FY 1999). The Board plans to pay the loan back once additional revenues become available.

**Funding Source:** 5H9 – Motor Vehicle Collision Repair Registration Fund. Revenue from \$150 licensing fee and late payment penalties are used to cover the Board’s expenses.

**Line Item:** 865-609, Operating Expenses

**Implication of the Executive Recommendation:** The executive’s recommendations are \$7,500 less than requested levels. The reductions are in the Board’s core budget levels. These reductions may result in elimination of merit raises, and limited office supply purchases. Recommended levels will not result in any staff reductions. The Executive fully funded the Board’s supplemental request of \$81,515. This supplemental request will allow for adequate coverage of expenses associated with inflationary and programmatic office maintenance increases and provide for both purchased personnel services and equipment lease/purchases in FYs 2004 and 2005. The \$81,515 will provide funding for the following: contracted web site programming services, computer software/hardware updates, interagency payments, printing, telecommunications, office supplies, vehicle maintenance, office rent, a copier replacement, and a vehicle replacement in FY 2005.

## ADDITIONAL FACTS AND FIGURES

Staffing Levels						
Program Series/Division	2000	2001	2002	2003	Estimated	
					2004	2005
Board Members	7	7	7	7	7	7
Administrative Staff	2	2	2	2	2	2
Investigators	1	1	1	1	1	1
<b>Totals</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>

### Staffing Levels

Board staff includes an Executive Director, Administrative Assistant II, and one Investigator. Also, an Ohio State University student is contracted to provide website programming. The Board has not budgeted for any additional staff during the FY 2004-2005 biennium.

### Number of Repair Shops Required to Register

The Board's research has generated a list of approximately 3,400 shops of which 1,740 have been registered. However, of these 3,400 shops, 1,200 are exempt from registration because they are either a dealership, educational institution, or a hobbyist. Thus, of the 2,200 eligible repair shops, the registration of 1,740 shops represents nearly 80%.

### Current Registration Fees

Operators are required to register every facility under his or her control or ownership. The annual fee for each facility is \$150. Amended Substitute House Bill 94 of the 124th General Assembly increased the annual fee from \$100 to \$150.

## **PERMANENT AND TEMPORARY LAW**

There is no new permanent or temporary law in the main operating bill affecting the Board.

## **REQUESTS NOT FUNDED**

The Board's supplemental request for web-site programming services and equipment purchases was fully funded.

## General Services Fund Group

### 5H9 865-609 Operating Expenses

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$172,954	\$225,262	\$233,483	\$262,952	<b>\$285,497</b>	<b>\$314,422</b>
	30.2%	3.6%	12.6%	<b>8.6%</b>	<b>10.1%</b>

**Source:** GSF: Fees paid by registrants are deposited into Fund 5H9

**Legal Basis:** Section 77 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Am. Sub. H.B. 143 of the 122nd G.A.)

**Purpose:** This appropriation supports the general operating expenses, including payroll, supplies, and equipment for Ohio Motor Vehicle Collision Repair Registration Board. The Board registers motor vehicle collision repair shops in Ohio.

## LSC Budget Spreadsheet by Line Item, FY 2004 - FY 2005

<i>Fund ALI ALI Title</i>	<i>Estimated 2003</i>	<i>As Introduced 2004</i>	<i>House Sub Bill 2004</i>	<i>% Change Est. 2003 to House 2004</i>	<i>As Introduced 2005</i>	<i>House Sub Bill 2005</i>	<i>% Change House 2004 to House 2005</i>
<b><i>CRB Motor Vehicle Collision Repair Registration, Board of</i></b>							
5H9 865-609 Operating Expenses	\$262,952	\$ 285,497	\$ 285,497	8.6%	\$ 314,422	\$ 314,422	10.1%
<b>General Services Fund Group Total</b>	<b>\$ 262,952</b>	<b>\$ 285,497</b>	<b>\$ 285,497</b>	<b>8.6%</b>	<b>\$ 314,422</b>	<b>\$ 314,422</b>	<b>10.1%</b>
<hr/>							
<b>Total All Budget Fund Groups</b>	<b>\$ 262,952</b>	<b>\$ 285,497</b>	<b>\$ 285,497</b>	<b>8.6%</b>	<b>\$ 314,422</b>	<b>\$ 314,422</b>	<b>10.1%</b>