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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 262
133rd General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 262's Bill Analysis](#)

Version: As Introduced

Primary Sponsors: Reps. Richardson and A. Miller

Local Impact Statement Procedure Required: No

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Highlights

- In the first year of implementing the “Folds of Honor” license plate, the Bureau of Motor Vehicles (BMV) may minimally: (1) gain \$1,500 in additional fee revenues and (2) incur \$615 in license plate production costs; Folds of Honor of Central Ohio may receive at least \$3,750 in contributions. Beginning in the second year, in order for the special license plate to stay in circulation, the minimal annual figures will be \$250 in BMV fee revenues and \$625 in contributions for Folds of Honor of Central Ohio. The annual production costs for the license plate will total \$4.10 for each new set that is issued.
- A motorist who applies for the special license plate is required to pay \$35 in additional money, consisting of a \$10 BMV administrative fee and a \$25 contribution for Folds of Honor of Central Ohio. The license plate is subject to the minimum registration requirements of 150 applicants for the first year and 25 applicants annually thereafter.
- The actual BMV fee revenue and cost, as well as contributions to Folds of Honor of Central Ohio, depend upon demand for the license plate each year.
- The bill will have no direct fiscal effect on any of the state’s political subdivisions.

Detailed Analysis

“Folds of Honor” license plate

The bill creates the “Folds of Honor” license plate that is available to all Ohio motorists. As summarized in the table below, a motorist applying for the plate must pay: (1) a \$10 Bureau

of Motor Vehicles (BMV) administrative fee, and (2) a \$25 contribution to Folds of Honor of Central Ohio.¹

"Folds of Honor" License Plate			
Special License Plate	BMV Fee	Required Contribution	Contribution Recipient
Folds of Honor	\$10	\$25	Folds of Honor of Central Ohio

License plate implementation and termination procedures

Under existing law, a special license plate generally is subject to a minimum registration requirement and to related termination and revival procedures. For example, the BMV Registrar is not required to implement any legislation that creates a new license plate until the Registrar receives written statements from at least 150 persons indicating that they intend to apply for and obtain the special license plate (R.C. 4503.78). If, during any calendar year, the total number of new and renewal motor vehicle registrations involving a license plate totals less than 25, the issuance of that license plate may cease as of December 31 of the following year (R.C. 4503.77).

Production costs and administrative fees

The BMV currently produces special license plates via a digital print-on-demand process. The total cost to produce a pair of these plates is \$4.10. Under the bill, a person obtaining a "Folds of Honor" license plate must pay an administrative fee of \$10, the purpose of which is to compensate the BMV for additional services required in issuing the plate. The administrative fees will be credited to the Public Safety – Highway Purposes Fund (Fund 5TM0), which is used in part to pay the BMV's expenses related to titling motor vehicles, licensing drivers, and registering motor vehicles.

- Assuming the license plate satisfies the minimum 150-person registration requirement, then, in the first year, the annual production costs for the license plate will total \$615 (150 persons x \$4.10) and the administrative fees collected will total \$1,500 (150 persons x \$10).
- Assuming the license plate, in subsequent years, satisfies the minimum 25-person registration requirement (new and renewals), the administrative fees collected will total \$250 (25 persons x \$10). The annual production costs for the license plate will total \$4.10 for each new set that is issued.

¹ Folds of Honor of Central Ohio is a nonprofit organization that provides educational scholarships to spouses and children of deceased and disabled military service members.

Folds of Honor of Central Ohio

The \$25 contribution paid for the issuance of the “Folds of Honor” license plate will be credited to the existing License Plate Contribution Fund (Fund 5V10) and then paid to the Folds of Honor of Central Ohio for the purpose of providing scholarships to the spouses and children of disabled veterans or members of any branch of the armed forces who died during their service.

- Assuming that the demand satisfies the minimum threshold, then, in its first year, the license plate will generate \$3,750 (150 persons x \$25 contribution) in contributions for Folds of Honor of Central Ohio.
- In each subsequent year, at least 25 persons must purchase the license plate, otherwise it is subject to termination under existing law. Assuming that the demand satisfies the minimum threshold to avoid termination, the plate will generate \$625 (25 persons x \$25 contribution) for Folds of Honor of Central Ohio.