

## Ohio House Finance Committee March 13, 2025 Interested Party Testimony on HB 96

Good morning, Chairman Stewart, Vice Chair Dovilla, Ranking Member Sweeney, and members of the House Finance Committee. My name is Scott Wiggam, I am the Wayne County Clerk of Court. I am here with Branden Meyer, the Fairfield County Clerk of Court and Legislative Cochair of the Ohio Clerk of Courts Association. Thank you for the opportunity to testify as an interested party on House Bill 96. We are testifying today regarding the certificate of title fee outlined in Ohio Revised Code section 4505.09.

As a reminder, the Clerk of Common Pleas Court ("Clerk") receives and processes documents for filings in the General and Domestic Relations Divisions of the Common Pleas Court. This includes filings for civil cases of \$15,000 or more in dispute, felony criminal cases, and for the cases handled by the Domestic Relations Division. In addition to the responsibilities within the Legal Division, many Clerks also have more than one title office to provide services throughout their counties. The Clerks' titling duties include issuing all vehicle and watercraft titles statewide (more than 5.5 million titles per year). Other titling services that some Clerks provide to their constituents include operating driver's examination stations in partnership with the BMV, issuing watercraft registrations (in addition to watercraft titles), and accepting passport applications. The cost of operating the court side of the Clerk's office is supported by filing fees and the title side of the Clerk's office is supported by title and other BMV-rated fees.

The as-introduced budget includes a proposed \$3.00 increase in the Certificate of Title fee. That fee would be collected by the Clerk and deposited into the Security, Investigations, and Policing Fund to be used by the State Highway Patrol and not available for the Clerk. We understand the financial challenges that the Highway Patrol is experiencing, as the Clerks of Court are also feeling the financial constraints caused by inflation. However, we believe that an increase in the title fee should be used to benefit the entity directly responsible for issuing the title. The current title fee dispersed to the Clerk has not kept pace with the rising costs of operations and the financial realities faced by our offices are becoming increasingly unsustainable. <u>The last time the title fee was increased was in the transportation budget bill in 2009</u> (House Bill 2, 128<sup>th</sup> General Assembly). The fee was increased from \$5.00 to \$15.00.

Currently, the Certificate of Title \$15.00 fee is disbursed as follows:

- \$11.50 to the Clerk of Courts
- \$0.04 to the Motor Vehicle Dealer's Board Fund
- \$0.21 to the Highway Operating Fund
- \$0.25 to the Motor Vehicle Sales Audit Fund
- \$1.00 to the Public Safety Highway Purposes Fund

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• \$2.00 to the Automated Title Processing Fund

<u>As you see, out of the \$15.00, the Clerk's office retains only \$11.50.</u> Over the past 16 years, our operational costs have steadily increased, largely due to inflation and the rising costs of wages, rent, utilities, and other essential office needs. For example, in 2009, a starting employee in my office earned \$11.00 per hour, totaling \$38,548.24 in salary and family health benefits. Today, a starting employee earns \$18.19 per hour, bringing the total salary and benefits to \$67,966.06—an increase of 76%. Also, you will see attached to our testimony a chart with how much operational costs have increased in other Clerk offices across the state.

Given these challenges, we respectfully request that the legislature increase the amount of the title fee retained by the Clerk's office from \$11.50 to \$18.50 per title. This increase is urgently needed to ensure that we can retain qualified staff, maintain competitive wages, and continue to serve the public efficiently.

It is also important to note that an increase to \$18.50 in Ohio's title fee is in line with neighboring states, many of which charge significantly more. For comparison:

- Pennsylvania: \$55.00
- Indiana: \$15.00 to receive title in a week, \$40.00 for expedited
- Illinois: \$150.00 to receive title by mail, \$180.00 for expedited
- Kentucky: \$9.00 to receive title in 48 hours, \$34.00 for expedited
- West Virginia: \$10.00 to receive same day OTC, 7-10 days for mail-in applications
- Michigan: \$15.00 to receive title 7-10 days, \$20.00 for same day

In Ohio, customers receive their title immediately. In many of our neighboring states, same-day service is not available, and if expedited services are provided, there are additional fees. By increasing the title fee a reasonable amount, we can ensure Ohio remains competitive while continuing to provide immediate title issuance for our residents.

In closing, an increase in the title fee is not only necessary for the financial sustainability of our office but also for maintaining the high quality of service that our residents expect. This modest fee increase will help ensure that our title offices remain fully operational, adequately staffed, and capable of providing timely and efficient service to the public.

Thank you for your time and consideration and we are happy to answer any questions.

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