

Testimony of Jon Dagenbach
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Before the Senate Agriculture and Natural Resources Committee, May 14, 2025
In Support of Operating Budget Proposed Amendment No.
SC0468: BMV Service Fees

Introduction

Good afternoon Chairman Schaffer, Vice Chair Koehler, Ranking Member Hicks-Hudson and Members of the Senate Agriculture and Natural resources Committee. Thank you for the opportunity to testify today. I'm Jon Dagenbach, Chairman of the Ohio Deputy Registrars Association, and a Deputy Registrar serving the Dayton community. I'm here to discuss the growing challenges we face in providing essential services to Ohioans due to rising costs, stagnant fees, and staffing shortages.

Privatized System and Its Success

Ohio's local Bureau of Motor Vehicle (BMV) offices are privatized, so are run by small businesses that serve Ohio communities. Ohio's Registrar estimates that the fact that this system is privatized saves Ohio taxpayers over \$215 million each year. It has also kept service costs low for Ohioans compared to other states. For example, registering a 2024 Chevy Blazer in Ohio costs only \$36 to \$66 dollars – the difference depending on local taxes. Registering that same car would cost over \$400 in Indiana, nearly \$300 in Kentucky, and over \$200 in Michigan and West Virginia. The system maintains a high 98% customer satisfaction rate, with wait times significantly shorter than the national average.

Due to rising costs of doing business combined with virtually stagnant deputy registrar fees, we are starting to see cracks in this system. Local offices that are unable to make ends meet are closing. The small businesses generally have five-year contracts with the state, and at the end of the contract there is a competitive bidding process for next term of the office. We are starting to see offices with few to no bids during those cycles. For example, no one bid on the Monroe County office during this last bidding cycle. When offices close, that leads to longer drive times for constituents and longer wait times once they arrive at the alternate office.

Many of the transactions done by deputy registrars must be done in person – rather than online - for purposes of fraud detection, public safety, and legal document requirements. Some examples of these transactions are the following:

- Issuing first time drivers' license or state ID
- A drivers' license may be renewed for four years online; however, every eight years Ohio drivers are required to pass a vision test necessitating a deputy registrar visit

- Drivers 65 and older cannot renew their license online, as they must renew their license every four years and pass a vision screening
- Converting from a standard to a compliant REAL ID drivers' license
- Converting an out-of-state drivers license to an Ohio license for new residents
- Issuing drivers' license or state ID to foreign nationals
- Any type of name change on a drivers' license or state ID
- A registration transfer from a vehicle that has been sold or traded to a newly acquired vehicle
- Issuance of a new license plate for a newly acquired vehicle
- Conveniently and quickly obtaining certified driving abstracts – necessary when applying for employment involving driving
- Adding drivers' license endorsements such as motorcycle or commercial drivers' license
- Reinstatements for driving privileges – receiving and submitting proof of insurance, court orders, and paperwork so that customers can receive a payment plan.

Over 15 million transactions were completed last year at brick-and-mortar locations.

Rising Costs and Staffing Challenges

The cost of doing business has skyrocketed, with the cost of wages nearly doubling in the past two decades. At the same time, inflation has raised rent, utilities, and other business expenses, and just recently we've been required to begin purchasing our own paper and toner. Despite these increases, the fees we can charge have remained nearly unchanged for 20 years. This stagnation makes it difficult to attract and retain qualified staff, and high turnover is impacting service quality. With inexperienced employees, we process transactions slower and face a higher risk of fraud and theft.

The Need for immediate Action

The Deputy Registrar system is at risk. The small fee increase we received in 2019 of \$1.50 – taking the fee from \$3.50 to \$5.00 - does not reflect the rising costs we face. Without fee adjustments, we risk more closures and longer wait times for constituents.

Proposed Solution

I urge this committee to consider increasing the fee for Deputy Registrars to \$10 per transaction. It would allow us to cover rising costs, attract qualified staff, and continue providing efficient services to Ohioans.

Conclusion

The Deputy Registrar system has saved taxpayers millions while ensuring efficient service delivery. However, without an increase in fees, this model is at risk. I ask for your support in adjusting fees to ensure local BMVs can continue to provide good, low-cost service to Ohioans.

Thank you for your time, and I am happy to answer any questions.