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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 258  
136<sup>th</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for H.B. 258's Bill Analysis](#)

**Version:** As Introduced

**Primary Sponsors:** Reps. A. Mathews and Deeter

**Local Impact Statement Procedure Required:** No

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### Highlights

- The Bureau of Motor Vehicles (BMV) will incur additional costs netting up to around \$1.8 million annually, to produce and send notices to individuals who may otherwise have renewed their license within the renewal period and not been sent a notice under existing law. Additional administrative and information technology costs may be incurred by the BMV in order to be able to implement the bill's notice requirements.
- The bill has no direct fiscal effect on any of the state's political subdivisions.

### Detailed Analysis

The bill requires the Registrar of Motor Vehicles to send a notice to each person whose driver's license is scheduled to expire at least 14 days before the expiration date rather than to each person whose driver's license has expired within 45 days of the expiration date. As a result, the bill effectively requires the Bureau of Motor Vehicles (BMV) to send a notice to all license holders instead of only those whose license has expired, thus significantly increasing the number of notices that must be sent. As a result, the BMV will incur additional costs to produce and mail such notices.<sup>1</sup> Based on the assumptions described below, the net impact is estimated to be approximately \$1.8 million annually.

According to the BMV, it costs an average of \$1.00 per mailing to send one letter or postcard via the Department of Administrative Services' printing and mailing services. As seen in

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<sup>1</sup> The BMV currently offers Ohioans the ability to sign up to receive a notification by email or text notifying them that their credential is nearing expiration and reminding them to renew. This service does not qualify as notice under the bill.

the following table, which shows the number of driver and commercial driver licenses issued from 2022 through 2024, the BMV issued an average of 1.9 million driver licenses annually during that time. Based on the average mailing costs and assuming that trend continues, this means the BMV will incur approximately \$1.9 million annually in mailing costs to implement the bill's notice requirements. That amount does not include administrative or information technology costs that may be needed in order for the BMV to comply with the bill's notice requirements.

Driver and Commercial Driver Licenses Issued, CY 2022-CY 2024					
Category	2022	2023	2024	Total	Average
Driver Licenses	1,880,818	1,796,076	1,763,188	5,440,082	1,813,361
Commercial Driver Licenses	90,906	88,307	92,782	271,995	90,665
<b>Total</b>	<b>1,971,724</b>	<b>1,884,383</b>	<b>1,855,970</b>	<b>5,712,077</b>	<b>1,904,026</b>

Source: Bureau of Motor Vehicles

A small portion of the costs will be offset from no longer sending post-expiration notices. The BMV reports sending 51,843 notices over the past six months to individuals whose credential (this includes both driver licenses and state ID cards) has expired, as required under current law. Since the BMV does not retain such data for more than six months, LBO doubled that number to produce an annual estimate of 103,686, which appears to represent approximately 5% of the average number of annual licenses (103,686 of 1,904,026). Assuming that number is representative of expiration notices sent in any given year, the BMV is currently spending around \$100,000 annually to send expired credential notices under current law. Under the bill, those notices would no longer be sent to expired driver's license holders (but still to expired state ID card holders), thus resulting in a potential offsetting savings of up to around \$100,000 annually. As such, the net increase in costs to the BMV due to the bill would be approximately \$1.8 million annually.