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H.B. 463
(1_136_1816-3)
136th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 463's Bill Analysis](#)

Version: In House Transportation

Primary Sponsors: Reps. Klopfenstein and Lorenz

Local Impact Statement Procedure Required: No

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Highlights

- The Department of Public Safety (DPS) may incur costs of up to \$3.0 million or more to implement and enforce the bill's electronic device or application provisions. Fees associated with ongoing security and regulatory monitoring may be passed on to training providers.
- Additional one-time costs may be incurred to update online materials to reflect the bill's changes to the issuance of temporary instruction permits, probationary and limited term driver's licenses, as well as driver training requirements. Those changes are expected to be minimal and absorbed utilizing existing resources.

Detailed Analysis

The bill makes changes to the laws governing juvenile drivers and standardizes the driver's education exemptions for limited term licenses. Implementation and ongoing oversight costs will fall primarily to the Department of Public Safety (DPS). The bill is not expected to have a direct fiscal effect on the state's political subdivisions.

Use of an electronic device or application

The bill authorizes a qualified adult to act in lieu of a driver training instructor for an adult student driver while using an authorized electronic device or application. DPS, specifically the Ohio Traffic Safety Office (OTSO), is responsible for existing driver training program oversight. As such, OTSO would be responsible for approving electronic devices or applications and establishing minimum requirements for use in driver training, as well as ensuring that the device or application is being used correctly by the eligible adult and that the driver's skills are satisfactorily demonstrated. OTSO has assessed the need to hire several additional staff members that specialize in those areas, in addition to upgrades to the existing system that is used to track

and license driver education programs. OTSO estimates that each employee added would cost around \$150,000, including salary and benefits. However, if technical experience is required for that staff, that amount could increase.

Based on past system upgrades and staffing costs, OTSO estimates that the initial cost to implement the bill's requirements would be at least \$3.0 million, with additional ongoing costs incurred for program monitoring. According to OTSO, some of these costs could be partially offset from fees collected from training providers. The amount of that fee is not currently known but will presumably depend on the costs incurred by OTSO to provide those services.

Behind-the-wheel hours

The bill modifies the number of behind-the-wheel hours required for adult drivers, including when the adult student driver is accompanied by a qualifying adult who is using an electronic device or application under the bill. The bill gives the Registrar of Motor Vehicles or a deputy registrar the authority to govern the examination of electronic devices and applications and to verify compliance. As a result, the Bureau of Motor Vehicles (BMV), which issues driver licenses, may incur additional costs to verify that the bill's driver training requirements are met if a qualified adult using an authorized electronic device or application was used in lieu of a driving instructor. The potential costs for the BMV to verify compliance are indeterminate and will ultimately depend on the rules and standards governing the equipment or application that are adopted by OTSO.

OTSO will likely expend minimal additional staff time and resources to update driver training materials to reflect the adopted standards and rules.

Juvenile drivers

The bill: (1) lowers the age in which a temporary instruction permit can be obtained from 15.5 to 15 years, (2) increases the amount of time that a juvenile must hold that permit prior to being eligible for a probationary driver's license from six months to one year, and (3) requires classroom instruction and online driver training courses taken as a prerequisite to receiving a driver's license to include defensive driving techniques.

As a result, the BMV and OTSO may incur one-time minimal additional costs to update online materials to reflect the bill's changes. Minimal additional one-time costs may also be incurred to launch a promotional campaign to raise awareness of those changes. The combined magnitude of these costs is expected to be minimal, with any related increase in costs and workload absorbed utilizing existing resources.

Limited term driver's license – driver's education exemptions

The bill standardizes and expands the circumstances for when a limited term driver's license applicant does not need to meet all of the driver's education and practice driving hour requirements. While the bill's exemption may result in some administrative savings for deputy registrars from not having to verify driver education requirements, that savings is likely to be offset by having to verify an applicant's eligibility for the driver education exemption.

Synopsis of Fiscal Effect Changes

The bill's fiscal effects remain unchanged under the substitute bill (I_136_1816-3).