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H.B. 653
(1_136_2380-1)
136th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 653's Bill Analysis](#)

Version: In House Local Government

Primary Sponsor: Rep. Brewer

Local Impact Statement Procedure Required: Yes

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Highlights

- Political subdivisions may need to adjust their late and administrative fees for civil parking offenses to comply with the limits in the bill, potentially resulting in forgone late payment, administrative, or processing fees compared to their current fee schedules.
- The Attorney General's Office could incur costs associated with collections which would likely be offset by collection fees. These fees are deposited into the Attorney General Claims Fund (Fund 4190).

Detailed Analysis

The bill establishes a maximum of \$35 in total late fees, allowing an initial late fee of up to \$15 only after 21 days since the ticket was issued and a second late fee of up to an additional \$20 only after 42 days. As a result, political subdivisions with fee schedules that do not align with these limits will need to adjust their late payment fee structures, potentially resulting in forgone revenue. The resulting revenue loss for these political subdivisions would depend on factors such as the number of tickets issued, how quickly those tickets are paid, and the change in fee amounts. The bill also restricts any administrative, processing, or collection fee associated with a civil parking ticket to a maximum of \$10. Political subdivisions with administrative, processing, or collection fee schedules that do not currently align with these limitations will need to make adjustments to those rates, potentially resulting in forgone revenue from these sources.

Municipalities that operate a parking management program that includes paid parking are the most likely to be impacted by the bill. These communities are likely larger cities, college towns, or other municipalities with high parking demand. LBO has reached out to the Ohio Municipal League to identify communities with paid parking programs and will update this fiscal note with any relevant information provided.

Under the bill, parking violations may be referred to the Attorney General's Office (AGO) or a collections agency. Typically, when referred to the AGO, collection costs are in effect covered by a portion of the amount owed and collected from the indebted party. The AGO's collections fee is up to 10% of the amount collected on claims certified, with revenue credited to the Attorney General Claims Fund (Fund 4190). If referred to a collections agency, the collections agency will collect the fine amount and an additional fee to cover the cost of collection as allowed by current law.

Synopsis of Fiscal Effect Changes

The substitute bill (l_136_2380-1) makes changes to the fee schedules related to parking infractions in the As Introduced version. The changes are noted below.

First, the bill increases the maximum late fee that may be collected from \$20 to \$35 and shortens the minimum interval for assessing a late fee from 30 days to 21 days.

Additionally, the substitute bill alters the allowable administrative, processing, or collection fee to a maximum of \$10 rather than the lesser of the actual cost of collection or 25% of the original fine as under the As Introduced bill. Accordingly, the substitute bill removes a provision of the bill that prohibits further penalties, surcharges, or fee multipliers.

Finally, the bill allows parking violations to be referred to the Attorney General's Office (AGO) or a collections agency. Parking violations referred to the AGO may be charged up to 10% of the collection amount to cover AGO costs, while collection agencies may charge an additional fee to cover their costs as allowed under current law.