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OHIO LEGISLATIVE SERVICE COMMISSION

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Office

H.B. 347
134th General Assembly

Fiscal Note & Local Impact Statement

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Version: As Introduced

Primary Sponsor: Rep. Fowler Arthur

Local Impact Statement Procedure Required: No

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Highlights

- The state's Bureau of Motor Vehicles (BMV) and certain counties, municipalities, and townships may experience a minimal at most loss in annual revenue collected from vehicle registration fees and permissive local motor vehicle taxes.
- The BMV and certain counties may lose a minimal at most amount of revenue that otherwise may have been collected annually as service transaction fees.
- The BMV will: (1) incur "Replica Vehicle – Ohio" license plate production costs of \$5.88 and \$7.23 for each new single plate and pair of plates issued, respectively, upon request, and (2) collect a one-time \$10 license fee from the requesting owner of the vehicle.

Detailed Analysis

The bill defines "replica motor vehicle" as a motor vehicle that is constructed, assembled, or modified to replicate the make, model, and year of a motor vehicle that is at least 25 years old, and establishes requirements relative to the titling and use of such vehicles. The use of a replica titled motor vehicle is limited to specific purposes and cannot be used for general transportation.

Given the use limitations and small number of such vehicles statewide, it is likely that there will be relatively few motor vehicles titled and registered as a replica vehicle under the bill, as opposed to being titled and registered under current law as a passenger vehicle with no restrictions as to their use.

Bureau of Motor Vehicles

The Bureau of Motor Vehicles (BMV) will incur one-time costs to make necessary modifications to its titling and registration systems. It appears likely that the BMV has sufficient

staff and other available resources to absorb those costs. The modifications include the Automated Title Processing System (ATPS) that the 88 clerks of courts of common pleas use to issue motor vehicle, watercraft, off-highway motorcycle, and all-purpose vehicle certificates of title.

Vehicle titling

The bill requires a person seeking to obtain a certificate of title indicating that a motor vehicle is a replica motor vehicle to have an inspection completed by the Ohio State Highway Patrol. Under current law, unchanged by the bill, the inspection fee is \$50. The fee is credited to the Public Safety – Highway Purposes Fund (Fund 5TM0), which is used in part to pay the BMV’s expenses related to titling motor vehicles, licensing drivers, and registering motor vehicles.

It appears likely that, under current law, such a vehicle is already subject to inspection by the Patrol as being “self-assembled,” and subsequently titled by the county clerk of courts as a passenger car for a \$15 fee.¹ The certificate of title for a replica motor vehicle would also be \$15. This suggests that the bill’s titling requirements will have no discernible effect on the overall workload of the Patrol or the county clerks of courts, nor on any related annual revenues and expenditures. To the degree that county clerks of courts incur a cost it would be in terms of learning how to process a transaction involving a replica motor vehicle using the ATPS.

Vehicle registration

If a motor vehicle is titled as a replica motor vehicle and the owner is issued a “Replica Vehicle – Ohio” specialty license plate, the bill requires the owner pay a one-time \$10 license fee to the BMV in lieu of paying annual passenger vehicle registration taxes and fees. The BMV currently produces specialty license plates via a digital print process at a cost of \$5.88 for a single plate and \$7.23 for a pair of plates. Both the registration and the license plates generally are valid without renewal, as long as the vehicle for which they were issued or procured is in existence.

The annual registration cost for a passenger vehicle is \$31 paid to the BMV plus up to \$30 in permissive local motor vehicle taxes levied by counties, municipalities, and townships.² The result of the bill is that, for each motor vehicle registered as a replica instead of as a passenger car, the BMV and certain counties, municipalities, and townships would lose annual vehicle registration tax and fee revenue that otherwise would have been collected. That potential is likely to be no more than minimal annually, as relatively few motor vehicles are expected to be titled and registered as a replica. The money paid to the BMV is credited to Fund 5TM0.

Under current law, vehicle registration transactions are subject to a \$5 service fee. That fee is paid to the deputy registrar or, in the case of a mail, telephone, or oplates.com transaction, the state’s Registrar of Motor Vehicles. There are approximately 200 deputy registrar locations

¹ Of the \$15 certificate of title fee, the county clerk of courts retains \$12.25. The remaining \$2.75 is forwarded to the state treasury and apportioned under existing law to five specified state funds as follows: the Automated Title Processing Fund (\$2), the Public Safety – Highway Purposes Fund (25¢), the Motor Vehicle Sales Audit Fund (25¢), the Highway Operating Fund (21¢), and the Motor Vehicle Dealers Board Fund (4¢).

² The use of local permissive motor vehicle taxes includes, but is not limited to, the planning, constructing, improving, maintaining, and repairing of public roads, highways, streets, bridges, and viaducts.

statewide, most of which are operated by private independent contractors. The clerk of the court of common pleas or county auditor operates as a deputy registrar in 13 counties. The bill may result in a minimal at most loss in service fee revenue, as there could be relatively fewer vehicle registration transactions in any given year. The service fees paid to the BMV are credited to Fund 5TM0.