

**Rule Summary and Fiscal Analysis (Part A)****Department of Public Safety**

Agency Name

**Bureau of Motor Vehicles**

Division

**Winston Ford**

Contact

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**4501:1-3-32**

Rule Number

**NEW**

TYPE of rule filing

Rule Title/Tag Line

**Place of business required for motor vehicle leasing dealers.****RULE SUMMARY**

1. Is the rule being filed for five year review (FYR)? **No**
2. Are you proposing this rule as a result of recent legislation? **No**
3. Statute prescribing the procedure in accordance with the agency is required to adopt the rule: **119.03**
4. Statute(s) authorizing agency to adopt the rule: **R.C. 4517.32**
5. Statute(s) the rule, as filed, amplifies or implements: **R.C. 4517.02, 4517.03, 4517.06**
6. State the reason(s) for proposing (i.e., why are you filing,) this rule:
 

This rule is being filed pursuant to a completed R.C. 106.03 periodic rule review. This rule is also being proposed to replace rule 4501:1-3-32 as complete reorganization of its content resulted in more than 50% of the rule being changed. This rule number is simultaneously proposed for rescission.
7. If the rule is an AMENDMENT, then summarize the changes and the content

of the proposed rule; If the rule type is RESCISSION, NEW or NO CHANGE, then summarize the content of the rule:

This rule identifies all physical requirements of an established place of business for a motor vehicle leasing dealer's license.

Under this new rule, no landline telephone is required and the specified number of business hours (30) has been eliminated to avoid presenting significant hardship to small business owners (leasing dealers), as well as to ensure consistent business hour requirements for all dealers regulated under Chapter 4501:1-3 of the Administrative Code. Finally, this new rule establishes that a leasing dealer shall maintain the capability to send and receive electronic documents, which replaces the requirement for maintaining the capability to send and receive documents by facsimile.

8. If the rule incorporates a text or other material by reference and the agency claims the incorporation by reference is exempt from compliance with sections 121.71 to 121.74 of the Revised Code because the text or other material is **generally available** to persons who reasonably can be expected to be affected by the rule, provide an explanation of how the text or other material is generally available to those persons:

*This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.*

9. If the rule incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material electronically, provide an explanation of why filing the text or other material electronically was infeasible:

*This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.*

10. If the rule is being **rescinded** and incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material, provide an explanation of why filing the text or other material was infeasible:

*Not Applicable.*

11. If **revising** or **refiling** this rule, identify changes made from the previously filed version of this rule; if none, please state so. If applicable, indicate each specific paragraph of the rule that has been modified:

*Not Applicable.*

12. Five Year Review (FYR) Date:

(If the rule is not exempt and you answered NO to question No. 1, provide the scheduled review date. If you answered YES to No. 1, the review date for this rule is the filing date.)

NOTE: If the rule is not exempt at the time of final filing, two dates are required: the current review date plus a date not to exceed 5 years from the effective date for Amended rules or a date not to exceed 5 years from the review date for No Change rules.

**FISCAL ANALYSIS**

13. Estimate the total amount by which *this proposed rule* would **increase / decrease** either **revenues / expenditures** for the agency during the current biennium (in dollars): Explain the net impact of the proposed changes to the budget of your agency/department.

This will have no impact on revenues or expenditures.

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This rule is not expected to impact the agency's budget in the current biennium.

14. Identify the appropriation (by line item etc.) that authorizes each expenditure necessitated by the proposed rule:

N/A

15. Provide a summary of the estimated cost of compliance with the rule to all directly affected persons. When appropriate, please include the source for your information/estimated costs, e.g. industry, CFR, internal/agency:

Motor vehicle leasing dealer applicants may incur costs associated with requirements set forth in R.C. 4517.03. This rule only amplifies that set forth in 4517.03 of the Revised Code by providing clear guidelines and clarification of the requirements not requiring any cost of compliance beyond the facility maintenance costs which vary upon location and square footage of properties.

16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? **No**

17. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? **No**

**S.B. 2 (129th General Assembly) Questions**

18. Has this rule been filed with the Common Sense Initiative Office pursuant to R.C. 121.82? **Yes**

19. Specific to this rule, answer the following:

A.) Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? **No**

In and of itself, this rule does not require prior authorization to engage in business. However, in accordance with section 4517.02 of the Revised Code, no person shall engage in the business of displaying or selling at retail new or used motor vehicles unless that person is first licensed under sections 4517.01 to 4517.45 of the Revised Code.

B.) Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? **Yes**

Failure to comply with the requirements set forth in this rule may result in denial of an initial or renewal application or in administrative action up to and including revocation of an existing license. Further, in accordance with section 4517.99 of the Revised Code, unless otherwise specifically provided in Chapter 4517. of the Revised Code, whoever violates rules promulgated under sections 4517.01 to 4517.45 of the Revised Code is guilty of a misdemeanor of the fourth degree.

C.) Does this rule require specific expenditures or the report of information as a condition of compliance? **Yes**

Motor vehicle leasing dealer applicants may incur costs associated with requirements set forth in R.C. 4517.03. This rule only amplifies that set forth in 4517.03 of the Revised Code by providing clear guidelines and clarification of the requirements not requiring any cost of compliance beyond the facility maintenance costs which vary upon location, and square footage of properties.