Rule Summary and Fiscal Analysis <u>Part A</u> - General Questions

Rule Number:	4501:1-6-09		
Rule Type:	Amendment		
Rule Title/Tagline:	Multi-year vehicle registration fees.		
Agency Name:	Department of Public Safety		
Division:	Bureau of Motor Vehicles		
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I. <u>Rule Summary</u>

- 1. Is this a five year rule review? No
 - A. What is the rule's five year review date? 3/1/2023
- 2. Is this rule the result of recent legislation? Yes
 - A. If so, what is the bill number, General Assembly and Sponsor? HB 62 133 - Oelslager
- 3. What statute is this rule being promulgated under? 119.03
- 4. What statute(s) grant rule writing authority? 4501.02, 4503.03, 4503.038
- 5. What statute(s) does the rule implement or amplify? 4503.038
- 6. What are the reasons for proposing the rule?

The rule is being filed according to the enactment of House Bill 62 of the 133rd General Assembly. Additionally, House Bill 166 of the 133rd General Assembly mandates that the deputy registrar service fee be set at \$5.00 in rule (4501:1-6-11) which will affect multi-year vehicle registrations.

7. Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.

The rule deals with the deputy registrar service fee for multi-year vehicle registrations. There was no discernible formula for the amounts that were carried over from statute when the rule was initially promulgated in 2018. A new structure was formulated based on the initial one year deputy registrar fee being set at \$5.00 (4501:1-6-11) and each subsequent year going up by \$2.50 as shown:

Pro-rated deputy registrar service fee for vehicle registration – One Year \$5.00, Two Year \$7.50, Three Year \$10.00, Four year \$12.50, and Five year \$15.00

- 8. Does the rule incorporate material by reference? No
- 9. If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.75 please explain the basis for the exemption and how an individual can find the referenced material.

Not Applicable

10. If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.

Not Applicable

II. Fiscal Analysis

11. Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.

This will increase revenues.

\$522,435

The Bureau of Motor Vehicles processes approximately 140,000 multi-year vehicle registrations a year by mail, phone, and oplates.com; this in addition to the registrations that the deputy registrars process. The statutory required \$5.00 fee (with the enactment of House Bill 166) that is the basis for the discounted rates for multi-year vehicle registration will lead to an increase in revenues of approximately \$522,435 in the current biennium for vehicles that are registered for 2-5 years.

12. What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?

The deputy registrar fee to renew a registration over multiple years will be as follows:

One Year \$5.00, Two Year \$7.50, Three Year \$10.00, Four year \$12.50, and Five year \$15.00

- 13. Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No
- 14. Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). No
- 15. If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.

These funds go directly to the operation of the Bureau of Motor Vehicles and the Ohio State Highway Patrol.

III. <u>Common Sense Initiative (CSI) Questions</u>

- 16. Was this rule filed with the Common Sense Initiative Office? Yes
- 17. Does this rule have an adverse impact on business? Yes
 - A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? No
 - **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

Deputy registrars have a contract to operate with the Ohio Bureau of Motor Vehicles (BMV). The Registrar of Motor Vehicles establishes, in rule, fee amounts charged for services provided. Failure to comply by a deputy registrar agency would result in disciplinary action up to termination of contract.

- C. Does this rule require specific expenditures or the report of information as a condition of compliance? No
- D. Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business of which it will apply or applies? Yes

The rule is likely to increase revenues for 180 deputy registrar locations across the state.