# Hearing Summary Report Hearing Summary Report

**Note:** Email completed form to jcarr1@jcarr.state.oh.us.

Hearing Date: 2/9/2018 Today's Date: 2/23/2018
Agency: Ohio Department of Public Safety
Rule Number(s): 4501:1-6-06; 4501:1-6-07; 4501:1-6-08; 4501:1-6-09; 4501:1-6-10; 4501:1-6-11
If no comments at the hearing, please check the box. $\square$
List organizations or individuals giving or submitting testimony before, during or after the public hearing and indicate the rule number(s) in question.
1. Karen Anderson
2. Kyle Huling
3. Susan Grove
4. Matt Douglas
5. Teresa Kroetz
6. Joe Bowsher
7. Julie Middlebrooks Reid
8. Tim Brown
9. W.A. Bill Snellgrove
10. Roland Tkach
11. Maureen Flanagan
12. Scott Hiler
13.
14.
15.
16.

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# **Consolidated Summary of Comments Received**

Please review all comments received and complete a consolidated summary paragraph of the comments and indicate the rule number(s).

All of the commenters above provided testimony during the public hearing. The comments were similar throughout.

The comments discussed the following:

#### Service Fee:

Much of the testimony centered on the need to raise the deputy registrar fee from \$3.50 in the new proposed rule 4501:1-6-11. Commenters stressed that they could not give employees raises they felt employees deserved and could not offer them benefits. They stressed that some deputy locations may need to close if they cannot get a fee increase. There were concerns that deputies are already losing revenue stemming from ATMs because of the implementation of credit cards.

With the recent closing of the reinstatement centers, commenters were concerned that not everyone will see the same increase in revenue. They argued that this is not new income for all agencies and should not be factored into the service fee change.

## Vending Machines:

Many commenters questioned profitability from vending machine operations at their agency. There was also concern for an increase of unwanted clutter/debris which could impact annual evaluations. Some individuals believe that they would have to make modifications to their waiting area to accommodate such machines and that they may not be allowed to do so based on their lease agreement.

# Third-Party Advertising:

Concerns were received regarding content allowed for display at license agencies, specifically insurance advertisements. Commenters argue that they should not have to spend time marketing their business and trying to sell advertising space in their agency because it will take away from their ability to provide customer service.

#### Multi-Year Vehicle Registration:

Concerns were expressed that the multi-year registration fee discount is provided at the expense of the deputies through a reducation in the deputy registrar fee. Commenters requested a full deputy registrar fee for each year of a multi-year vehicle registration or, at a minimum, a larger prorated deputy registrar fee than what is currently collected.

#### Vehicle Registration Convenience Fees:

Commenters were concerned that the options for additional customer service fees were not feasible for every deputy location. Some concerns were raised on how much a self-service kiosk

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would cost, who would provide maintenance, and where it would need to be located.
Commenters believe this will divert income, not increase income.

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# <u>Incorporated Comments into Rule(s)</u>

Indicate how comments received during the hearing process were incorporated into the rule(s). If no comments were incorporated, explain why not.

The comments received shall not be incorporated into the rules.

The comments above mimic the comments submitted to the Ohio Department of Public Safety during the Common Sense Initiative process. The Department's response remains the same at this time.

# More specifically:

#### Service Fee:

Section 4503.038 of the Ohio Revised Code requires the Registrar to establish a deputy registrar transaction service fee in rule with a ceiling of \$5.25 and no established floor. All relevant factors, including inflation, were measured when developing this rule. After careful consideration of inflation and other relevant factors, it was determined to establish the deputy registrar transaction service fee of \$3.50.

In an effort to create improved revenue streams, separate from the deputy registrar transaction service fee, certain areas were identified to provide deputy registrar agencies opportunities for additional income through enhanced customer service. Identified measures may not be practical for all license agencies.

### **Vending Machines:**

Proposed rule 4501:1-6-06 is a statutory requirement of Section 4503.03(D)(1)(n) of the Ohio Revised Code, but participation remains at the discretion of each deputy registrar.

#### Third-Party Advertising:

It is important to note that Section 4507.01(C) of the Ohio Revised Code forbids promotion of any automobile insurance agency or agent. The BMV currently has a content review process and guidelines in place for advertisements displayed on DriveTV. Those processes will apply to proposed rule 4501:1-6-08.

#### Multi-Year Vehicle Registration:

The rule/fees for multi-year vehicle registration, currently established in Section 4503.103 of the Ohio Revised Code, will remain the same. To maintain a focus on customer service and value, the BMV will continue to offer multi-year vehicle registrations as already established. The work performed remains the same for employees processing a one-year vehicle registration versus a multi-year vehicle registration. Customers have responded positively to the reduction in fees paid for multi-year vehicle registrations, and the BMV sees great value in continuing operations as they are today.

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Vehicle Registration Convenience Fees:

Proposed rule 4501:1-6-10, pertaining to vehicle registration convenience fees, was drafted in such a way to promote creativity when considering ways to enhance customer service and experience. There is an expectation deputy registrars and staff will identify methods to expand customer services, associate a reasonable fee for that service, and submit a request to the Registrar for approval. Expansion of customer services, with associated convenience fees, are once again optional and at the discretion of each participating agency.

Self-service kiosks, referenced within this rule, underwent a successful pilot in 2015. The pilot received positive customer feedback and was utilized regularly by customers renewing vehicle registrations. Based on feedback from a survey of deputy registrars, we also established that any plans to implement kiosks without a separate funding mechanism to cover the cost of the kisosk itself would not generate participation by deputy registrars. Convenience fees included in the rule package addressed the concerns expressed by the deputy registrars and would allow deputy registrars to operate self-service kiosks as a means to enhance customer access and service. Implementation would allow deputy registrar staff to focus more time and attention on complex transactions while lesser vehicle registration transactions are processed by customers at self-service kisoks.