

# CSI - Ohio

## The Common Sense Initiative

### Business Impact Analysis

Agency Name: Department of Public Safety – Bureau of Motor Vehicles

Regulation/Package Title: International Registration Plan

Rule Number(s): 4501:1-8-01, 4501:1-8-09, 4501:1-8-10, 4501:1-8-12, 4501:1-8-15,  
4501:1-8-16, 4501:1-8-17

Date: 8/26/16

**Rule Type:**

- ☐ New  
☐ Amended

- ☒ 5-Year Review  
☐ Rescinded

The Common Sense Initiative was established by Executive Order 2011-01K and placed within the Office of the Lieutenant Governor. Under the CSI Initiative, agencies should balance the critical objectives of all regulations with the costs of compliance by the regulated parties. Agencies should promote transparency, consistency, predictability, and flexibility in regulatory activities. Agencies should prioritize compliance over punishment, and to that end, should utilize plain language in the development of regulations.

### **Regulatory Intent**

**1. Please briefly describe the draft regulation in plain language.**

*This package is being filed in response to a scheduled periodic rule review of OAC 4501:1-8 pursuant to section 106.03 of the Revised Code. Chapter 4501:1-8 establishes provisions relevant to the International Registration Plan (IRP).*

*The following rule in this package is being proposed as an amended rule:*

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*Rule 4501:1-8-12 is a process by which the unused portion of the registration of an apportioned vehicle which is no longer in use may be applied toward the cost of the registration of a different vehicle in the carrier's fleet; provided the credit is used within the same registration year. The rule is being amended to reflect the manner in which credits for this type of transaction are actually given. The process currently outlined in the rule is inaccurate.*

*The following rules are being filed with no changes:*

*Rule 4501:1-8-01 acknowledges the membership of the State of Ohio in the International Registration Plan, an agreement that provides for the payment of taxes and fees on an apportioned basis to member jurisdictions.*

*Rule 4501:1-8-09 specifies the materials that must be included in an application for the registration of an apportioned vehicle.*

*Rule 4501:1-8-10 establishes a process by which registrations and registration renewals for apportioned vehicles may be processed electronically.*

*Rule 4501:1-8-15 specifies that operators based in non-member jurisdictions must acquire credentials to operate on public roadways in Ohio. They may do so by purchasing a trip permit for passage through this state or acquiring an apportioned registration.*

*Rule 4501:1-8-16 explains that household goods carriers who are based in Ohio, but operate out of state under the authority of a carrier who is based in another jurisdiction may register with Ohio as their base jurisdiction or the jurisdiction where the carrier is based. The rule goes on to explain mileage reporting, including the reporting of intrastate mileage.*

*Rule 4501:1-8-17 establishes a committee for oversight of the IRP program. The three person committee exists to investigate and advise the Registrar regarding IRP related matters. The committee does not make decisions. Decision making authority is maintained by the Registrar.*

2. Please list the Ohio statute authorizing the Agency to adopt this regulation.  
*Chapter 4501:1-8 is authorized by Ohio Revised Code sections 4501.02, 4503.10, 4503.61, 4503.62, and 4503.66.*
3. Does the regulation implement a federal requirement? Is the proposed regulation being adopted or amended to enable the state to obtain or maintain approval to administer and enforce a federal law or to participate in a federal program? *No.*  
*If yes, please briefly explain the source and substance of the federal requirement.*
4. If the regulation includes provisions not specifically required by the federal government, please explain the rationale for exceeding the federal requirement.

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N/A

5. What is the public purpose for this regulation (i.e., why does the Agency feel that there needs to be any regulation in this area at all)?

*This chapter pertains to requirements for the International Registration Plan and the operation of apportioned vehicles. The State of Ohio participates in the International Registration Plan (IRP). The International Registration Plan (IRP) is a registration reciprocity agreement between the contiguous United States and Canadian provinces, which provides apportioned payments of registration fees, based on the total distance operated in participating jurisdictions.*

6. How will the Agency measure the success of this regulation in terms of outputs and/or outcomes?

*Success of the regulation will be measured very broadly, as the rules which govern the IRP program function as a partnership between the 48 contiguous states and Canadian Provinces to ensure that registration fees are fairly apportioned among the participants based on distance traveled in a jurisdiction. Traditional measurement could be determined by success of the program unimpeded vehicle registration completions, distribution of appropriate fees to other jurisdictions and law enforcements ability to recognize any apportioned vehicle not in compliance.*

### **Development of the Regulation**

7. Please list the stakeholders included by the Agency in the development or initial review of the draft regulation.

*Stakeholders for IRP were contacted via email on August 26, 2016 through feedback regarding this rules package. The agency contacted representatives from Xerox State and Local Solutions, Inc., International Registration Plan, Inc., the Federal Motor Carrier Safety Administration, the Federal Highway Administration, the Ohio State Highway Patrol, the Ohio Department of Taxation, the Ohio Trucking Association, the Ohio Department of Transportation, the Public Utilities Commission of Ohio, the Columbus Police Department, and the Franklin County Sheriff's Office.*

*If applicable, please include the date and medium by which the stakeholders were initially contacted.*

8. What input was provided by the stakeholders, and how did that input affect the draft regulation being proposed by the Agency?

*The BMV received no input from outside stakeholders.*

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**9. What scientific data was used to develop the rule or the measurable outcomes of the rule? How does this data support the regulation being proposed?**

*Fee calculations are determined by each individual jurisdiction (state or province) and shared with other jurisdiction to test for accuracy. The International Registration Plan, monitors the fees and post them on their website.*

**10. What alternative regulations (or specific provisions within the regulation) did the Agency consider, and why did it determine that these alternatives were not appropriate? If none, why didn't the Agency consider regulatory alternatives?**

*As members of IRP, we must abide by the prescribed regulations. The ability to develop alternative means of compliance to meet requirements is limited by the provisions as set forth in the International Registration Plan, and sections 4503.61 and 4503.66 of the Revised Code.*

**11. Did the Agency specifically consider a performance-based regulation? Please explain.**

*Performance-based regulations are defined by code and IRP. The required outcome does not dictate the process the regulated stakeholders must use to achieve compliance.*

**12. What measures did the Agency take to ensure that this regulation does not duplicate an existing Ohio regulation?**

*Research was completed by reviewing the Ohio Revised Code and Ohio Administrative Code, and review of the processes within the BMV governing a vehicle registration.*

**13. Please describe the Agency's plan for implementation of the regulation, including any measures to ensure that the regulation is applied consistently and predictably for the regulated community.**

*4501:1-8-12 is being amended to reflect the BMV's current process. There is no change to the manner in which the IRP program is executed.*

*As a whole, chapter 4501:1-8 pertains to the IRP program. The IRP program is executed in partnership with the State of Ohio, Xerox Inc., and IRP Inc. BMV Program Administrator oversees the program, ensuring that all parties are abiding by policies and procedures as set forth in the Ohio Revised Code, Ohio Administrative Code, and in the International Registration Plan itself. The BMV also has an oversight committee, which investigates and advises the Registrar as to issues reported to the committee.*

### **Adverse Impact to Business**

**14. Provide a summary of the estimated cost of compliance with the rule. Specifically, please do the following:**

- a. Identify the scope of the impacted business community;**
- b. Identify the nature of the adverse impact (e.g., license fees, fines, employer time for compliance); and**
- c. Quantify the expected adverse impact from the regulation.**

*The adverse impact can be quantified in terms of dollars, hours to comply, or other factors; and may be estimated for the entire regulated population or for a “representative business.” Please include the source for your information/estimated impact.*

- a. Owner/Operator members of the International Registration Plan and operators of large commercial vehicles from other jurisdictions who have a need to occasionally travel on Ohio roadways.*
- b. Participants are required to complete vehicle registration related paperwork and pay associated fees. Lack of compliance would lead to the inability of the registrant/company to travel in and out of Ohio as an apportioned vehicle. Late registration may result in late fees.*
- c. After consulting with the vendor, Xerox, the estimated costs of compliance for stakeholders will depend on the other jurisdictions in which stakeholders operate. If the other jurisdictions’ registration fees are higher than Ohio’s, the stakeholders will pay more. If the other jurisdictions’ registration fees are lower than Ohio’s, stakeholders will pay less. For example, it could cost a second year registrant \$1,470 to operate in seventeen jurisdictions or \$1,490 to operate in five jurisdictions, depending on the rates of the jurisdictions in which the registrant traveled. Registrants are also permitted to purchase trip permits for interjurisdictional travel instead of purchasing an apportioned registration.*

**15. Why did the Agency determine that the regulatory intent justifies the adverse impact to the regulated business community?**

*The amendment to rule 12 is being made to reflect the current process as dictated by the International Registration Plan.*

*All rules in this chapter exist because Ohio is a participating member in the IRP program. Participation in the program ensures that we receive a portion of registration fees from*

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*individual registrants and companies from outside of our jurisdiction who operate vehicles for commercial purposes, intrastate.*

*Receipt of these funds helps to recoup the cost Ohio incurs because of travel on our roadways. Ohio taxpayers pay to maintain the roadways on which these vehicles operate (causing additional wear and tear). Our taxpayers also fund the regulation of these vehicles by Ohio Motor Carrier Enforcement.*

### **Regulatory Flexibility**

**16. Does the regulation provide any exemptions or alternative means of compliance for small businesses? Please explain.**

*The owner/operator of requiring apportionment when traveling outside of this jurisdiction may choose to purchase an Ohio registration or trip permit(s) when traveling to/through other jurisdictions. The rules of the International Registration plan do not allow for exemptions or alternative means of compliance.*

*While technically not an alternative means of compliance, owner/operators do have the ability to purchase trip permits instead of a full year vehicle registration through IRP. Trip permits allow owner/operators who only rarely travel through our jurisdiction (or who are from non-member jurisdictions) to pay for the ability to operate on our roadways for short periods of time (no more than 72 hours). These permits are sold to third party vendors who then sell them directly to owner/operators.*

**17. How will the agency apply Ohio Revised Code section 119.14 (waiver of fines and penalties for paperwork violations and first-time offenders) into implementation of the regulation?**

*Per IRP, a registrant may be fined for renewing beyond the allotted 90 day window. This fee can be waived if there are special circumstances.*

*A registrant who incorrectly completes necessary paperwork would not receive a registration, but the BMV would work with the customer to correct any errors and provide credentials as soon as possible.*

**18. What resources are available to assist small businesses with compliance of the regulation?**

*Registrants or carriers with apportioned vehicles may call the BMV or visit one of the four (4) IRP offices located throughout the state. They may also view information on the BMV website or renew their apportioned vehicle registration through the Ohio Commercial Online Registration System (OHCORS) website.*

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