

CSI - Ohio

The Common Sense Initiative

Business Impact Analysis

Agency Name: Ohio State Highway Patrol

Regulation/Package Title: Self-Assembled Motor Vehicle Inspections

Rule Number(s): 4501-33-01 thru 4501-33-06 Ohio Administrative Code

Date: May 30, 2014

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☐ Rescinded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.

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The rules set forth the requirements of self-assembled motor vehicle inspections. The inspection requirements consists of the application, fees, receipts, evidence of vehicle ownership, equipment inspections, identifying parts, and identifying additional numbers. Rules 4501-33-05(B) and 4501-33-06(B) have been amended. The language removed from *both rules reads “in the VIN comments portion of the HP 106 for self-assembled vehicles”*. Changes to 4501-33-05(B) and 4501-33-06(B) now reads *“Inspecting employees will document that the vehicle has not been inspected to meet federal motor vehicle safety standards.* Rules 4501-33-05(C) and 4501-33-06(C) have been removed.

2. Please list the Ohio statute authorizing the Agency to adopt this regulation.

R.C. 5502.011, 4505.11, and 4505.111

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?
If yes, please briefly explain the source and substance of the federal requirement.

No.

4. If the regulation includes provisions not specifically required by the federal government, please explain the rationale for exceeding the federal requirement. 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)? To establish evidence of ownership of motor vehicles presented for inspection and to ensure that no stolen parts are assembled on the vehicle.
6. How will the Agency measure the success of this regulation in terms of outputs and/or outcomes? The Agency will measure the success of this regulation in two ways. One being the number of vehicles that are being inspected at each salvage facility monthly/yearly and the second being criminal arrests for those people who violate the rule.

Development of the Regulation

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

If applicable, please include the date and medium by which the stakeholders were initially contacted. *Walt’s Auto Incorporated, Dales Auto Sales, Stewarts Motor Sales, Johns Auto Group LLC, RZ Auto, Sardis Auto Salvage, Bobst Auto Salvage, Dietsch Sales & Service, PGT Trucking Inc., Gibson Auto Recycling, Tucker Bro Auto Wrecking, J.C. Service, Tim’s Auto Craft, Melniks Automotive, Beckford Automotive, Meander Motor Inc.,*

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Buckeye Auto Mart, Arrowhead Trucking-Burn Trucking Inc., Gender Auto Sales were notified on May 22, 2014, and asked to respond by May 28, 2014. Hasani Auto Motors, Import Direct Auto, and Malcomes were contacted on June 4, 2014, and asked to respond with feedback, comments, or recommendations by June 11, 2014.

8. What input was provided by the stakeholders, and how did that input affect the draft regulation being proposed by the Agency? None.
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? None.
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? The ability to develop alternative and flexible means to meet the required standard is limited by provisions set forth in sections 5502.011, 4505.11, and 4505.11 of the Revised Code.
11. Did the Agency specifically consider a performance-based regulation? Please explain. *Performance-based regulations define the required outcome, but don't dictate the process the regulated stakeholders must use to achieve compliance.* The self-assembled inspection requirements are set forth in sections 4505.11 and 4505.111 of the Revised Code.
12. What measures did the Agency take to ensure that this regulation does not duplicate an existing Ohio regulation? The applicable sections of the Ohio Revised Codes (5503.02, 4505.11, 4505.111), R.C. Chapter (4513), Ohio Administrative Codes (4501:2-1, 4501-15, 4501-17, 4501-41, and 4501-43) were reviewed.
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. The Agency will enforce sections 5503.02, 4505.11, 4505.111, and Chapter 4513 of the Revised Code for violations of this rule. The community can go to the State Patrol website, www.statepatrol.ohio.gov, to view the requirements or telephone their local Patrol Post.

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; Pursuant to sections 4513, 5503.02, 4505.11, and 4505.111 of the Revised Code, these rules regulate all persons who apply for a self-assembled vehicle inspection.
- b. Identify the nature of the adverse impact (e.g., license fees, fines, employer time for compliance); Adverse impact is more accurately described as inspection fees, the time to schedule and present the vehicle for inspection, and the report of information, which includes providing evidence of receipts and ownership.
- c. Quantify the expected adverse impact from the regulation.

It is not expected that purchasing and installing materials that comply with the standards set forth in this rule would be substantially different from the time and production costs for businesses. Pursuant to section 4505.111 of the Revised Code, a fifty dollar receipt must be purchased for each motor vehicle being inspected. This fifty dollar receipt can be purchased at the Bureau of Motor Vehicles. Motor vehicle inspection times will vary with each inspection. This depends on how many component parts were added and identifying applied numbers to each vehicle.

15. Why did the Agency determine that the regulatory intent justifies the adverse impact to the regulated business community? These rules establish the ownership and inspection of the motor vehicle and ensure that no stolen parts are assembled on the vehicle.

Regulatory Flexibility

16. Does the regulation provide any exemptions or alternative means of compliance for small businesses? Please explain. Sections 5502.011, 4505.11, and 4505.111 of the Revised Code, do not provide means of exemption.
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? First-time offenders may be warned or ticketed for a violation of this rule.
18. What resources are available to assist small businesses with compliance of the regulation? The requirements of this rule can be found in the Ohio Administrative Code, which is located at www.statepatrol.ohio.gov or www.publicsafety.ohio.gov. Businesses may also contact the Agency or one of our ten salvage inspection facilities statewide.