



Common Sense Initiative

Mike DeWine, Governor
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Business Impact Analysis

Agency Name: Ohio Department of Public Safety, Ohio State Highway Patrol

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Regulation/Package Title: Self Assembled Motor Vehicle Inspections 2019 FYR

Rule Number(s): 4501-33-01 to 4501-33-06 of the Administrative Code

Date: July 12, 2019

Rule Type:

- ☐ New
☐ Amended

- ☒ 5-Year Review (No Change)
☐ Rescinded

The Common Sense Initiative is established in R.C. 107.61 to eliminate excessive and duplicative rules and regulations that stand in the way of job creation. Under the Common Sense Initiative, agencies must balance the critical objectives of all regulations with the costs of compliance by the regulated parties. Agencies should promote transparency, responsiveness, predictability, and flexibility while developing regulations that are fair and easy to follow. 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.

Please include the key provisions of the regulation as well as any proposed amendments.

The rules set forth requirements of self-assembled motor vehicle inspections. The inspections requirements consists of: the application, fees, receipts, evidence of vehicle ownership, equipment inspections, and identifying parts. The rules are proposed as no-change for 2019 five-year review.

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

Sections 4505.11, 4505.111 and 5502.011 of the Ohio Revised Code.

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.

Not applicable.

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)?

The rules establish evidence of ownership of motor vehicles presented for inspection and 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?

Outcome is measured in two ways. The first being the number of vehicles that are being inspected at each salvage facility monthly and yearly, and the second being the criminal arrests for those individuals who have violated the statute or rules dealing with self assembled motor vehicle inspection.

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.

The Ohio Auto Dealers Association, The Ohio Independent Auto Dealers association, 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., Buckeye Auto Mart, Arrowhead Trucking-Burn Trucking Inc., and Gender Auto Sales were emailed on May 24, 2019.

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

No input was provided by stakeholders.

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 requirements as set forth in Sections 4505.11, 4505.111, and 5502.011 of the Revised Code limit the ability to develop alternative means to meet the requirements.

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 section 4505.11 and 450.111 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 Revised Code (4505.11, 4505.111 and 5503.02), Revised Code Chapter 4513. Ohio Administration Code Chapters 4501:2-1, 4501-15, 4501-17, 4501-41 and 4501-43 were also 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 the rule chapter. The community may visit the Ohio State Patrol Website (www.statepatrol.ohio.gov) or contact 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 Section 4513, 4505.11, and 4505.111 of the Revised Code, the 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); and

Adverse impacts include 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.
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.

Pursuant to Section 4505.111 of the Revised Code, a fifty dollar receipt must be purchased for each motor vehicle being inspect. The fifty dollar receipt is purchased through the Bureau of Motor Vehicles. Inspection times will vary with each inspection, depending 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?

The rules establish the ownership and inspection of the motor vehicle and ensure that no stolen parts were used to assemble vehicle.

Regulatory Flexibility

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

Sections 45005.11 and 4505.111 of the Revised Code do not provide for a 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?

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First time offenders may be warned or ticketed for a first time offense. An inspection is rated as pass/fail, however, individuals are given the chance to correct items that would lead to a fail rating.

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

The requirements of the rules can be found on the Patrol website located at www.statepatrol.ohio.gov. Individuals may also contact any of the ten Patrol salvage inspection facilities statewide.