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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
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Office

S.B. 37
135th General Assembly

Fiscal Note & Local Impact Statement

[Click here for S.B. 37's Bill Analysis](#)

Version: As Introduced

Primary Sponsors: Sens. Blessing and Ingram

Local Impact Statement Procedure Required: No

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Highlights

- The Bureau of Motor Vehicles (BMV) may experience some initial shifting in workload and revenue to reinstate certain driver's licenses earlier than they otherwise would have under existing law, as well as a potential longer term decrease in the number of license suspensions imposed. The bill is not expected to have a significant impact on BMV.
- Local courts and clerks of court may experience an increase in caseload to hear appeals and petitions related to driver's license suspensions that were imposed for certain drug and truancy offenses and failure to pay child support prior to the bill's effective date. Any costs incurred may be at least partially offset by a filing fee charged by the court. Whether or not a court charges a fee varies by court, as does the amount of any fee charged. The bill is not expected to have a significant impact on local courts or clerks of court.

Detailed Analysis

The bill modifies the law governing driver's license suspensions by limiting when a suspension may be imposed for certain drug offenses, failure to pay child support, or habitual school truancy (in the case of a student) authorizing a person with an existing suspension that is impacted by the bill to appeal to, or petition, the appropriate court for reinstatement of the license or for limited driving privileges. The bill also modifies the penalties for failure to provide proof of financial responsibility.

In calendar year 2021, there were a total of 269,249 active driver's license suspensions for a total of 173,755 drivers, meaning that each driver had an average of 1.55 suspensions. This means that while the bill may shorten the duration of or eliminate certain suspensions for some drivers, it is possible that another concurrent suspension may prevent the reinstatement of that driver's license or ability to obtain limited driving privileges under the bill.

Bureau of Motor Vehicles

Certain drug offense and failure to pay child support suspensions

The bill may initially result in some shifting in workload and revenue for the Bureau of Motor Vehicles (BMV), which is responsible for reinstating suspended licenses, as drivers with certain license suspensions may be eligible to have their suspension terminated and driver's license reinstated before they otherwise could have under current law. The BMV is expected to absorb this initial increase in workload utilizing existing resources. In addition, a minimal amount of license reinstatement fee revenue may be collected sooner than it otherwise might have been under current law.¹

In future years, the bill's provisions governing driver's license suspensions may reduce the number of suspensions that are imposed annually, as well as the amount of corresponding revenue that would otherwise have been collected for the BMV to reinstate those licenses had they been suspended. The savings in workload and the amount of lost revenue is likely to be minimal annually.

For calendar year 2021, there were a total of 570 active in-state drug offense suspensions, 885 out-of-state drug offense suspensions, 17,369 failure to pay child support suspensions, and 288 truancy suspensions. The number of suspensions imposed for possessing drug abuse instruments or illegal use or possession of drug or marijuana paraphernalia (the misdemeanor offenses impacted by the bill) is uncertain however, the bill is not expected to have a significant fiscal impact on the key components of the driver's license suspension system: the BMV and local courts and clerks of courts.

Proof of financial responsibility penalties

The bill's impact on noncompliance violations, which occur when a driver fails to show proof of insurance (financial responsibility) at a traffic stop or at the time of an accident, and related revenue is two-fold. First, by reducing the lookback period for repeat offenses from five years to one year, the bill may reduce the number of license suspensions imposed for repeat noncompliance violations. The second effect is that if fewer licenses are suspended for repeat noncompliance violations, the BMV may collect less noncompliance reinstatement fee revenue than it otherwise would have collected.

In calendar year 2021, there were 93,778 noncompliance license suspensions. The bill is unlikely to affect the overall number of these suspensions. It may however affect the amount assessed to reinstate certain licenses, thereby potentially decreasing to some degree the total amount of reinstatement fee revenue generated annually. Under existing law, the reinstatement fee for a license suspended due to noncompliance is generally \$100 however, that fee increases to \$300 for a second offense within a five-year period and to \$600 for a third or subsequent offense within a five-year period. These fees are unchanged by the bill.

¹ License reinstatement fees are generally \$40 for drug-related and truancy-related offenses, and \$25 for child support violations. These fees are collected by the BMV and credited to the Public Safety – Highway Purposes Fund (Fund 5TMO), which in part supports the BMV's operating expenses.

Local courts and clerks of court

The bill's provisions regarding driver's license suspensions for certain drug and truancy offenses, and failure to pay child support may result in an initial increase in caseload for local courts and clerks of court related to such suspensions imposed prior to the bill's effective date. In the case of certain drug offenses and truancy, individuals may file an appeal with the appropriate court to have their suspension terminated, and in the case of failure to pay child support, individuals may petition the court for limited driving privileges when they are not able to under current law. Any costs incurred as a result of a driver's license suspension appeal or petition for limited driving privileges may be at least partially offset by a filing fee charged by the court. Whether or not a court charges a fee varies by court, as does the amount of any fee charged. A court has discretion over whether to terminate the suspension for any applicant so requesting the termination under the bill.

Any increase in appeals or petitions for limited driving privileges filed is expected to be temporary with caseloads leveling out after existing suspensions are adjudicated. The magnitude of any initial increase is uncertain.

In future years, the bill may reduce the number of juvenile license suspensions and may reduce the number of license suspensions imposed for certain drug offenses and failure to pay child support, potentially resulting in a minimal decrease in caseload for local courts and clerks of court.

School notification requirements to the BMV

The bill's provision removing the requirement that school superintendents notify the BMV of a student's withdrawal from school or habitual absence will have a negligible fiscal effect on impacted school districts, mainly in terms of administrative cost savings.

Driving under suspension citations

By potentially decreasing the number of licenses suspended for certain drug offenses, failure to pay child support, and truancy, the bill may indirectly impact the number of driving under suspension or in violation of license restriction citations issued in future years.

Any resulting decrease in suspensions or citations issued creates a potential expenditure savings effect for local criminal justice systems, as well as the BMV, which administers the license suspension system. Fewer subsequent convictions mean a related revenue loss in the form of fines, fees, and court costs retained by counties and municipalities, and court costs forwarded to the state. The net effect of any expenditure savings and revenue loss is likely to be minimal annually.