



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: H.B. 162 of the 128th G.A.

Date: June 3, 2009

Status: As Introduced

Sponsor: Rep. DeGeeter

Local Impact Statement Procedure Required: No — No local cost

Contents: Increases the speed limit for passenger vehicles and commercial buses from 65 miles per hour to 70 miles per hour on certain interstate freeways

State Fiscal Highlights

STATE FUND	FY 2010	FY 2011 – FUTURE YEARS
Highway Operating Fund (Fund 7002) – Department of Transportation		
Revenues		- 0 -
Expenditures	Increase of approximately \$320,000 for sign replacement	- 0 -
State Highway Safety Fund (Fund 7036) – Department of Public Safety		
Revenues		Potential minimal loss in fine revenue
Expenditures		- 0 -

Note: The state fiscal year is July 1 through June 30. For example, FY 2010 is July 1, 2009 – June 30, 2010.

- Sign replacement costs for the estimated 800 speed limit signs on interstate freeways are estimated to be approximately \$320,000 in FY 2010.
- The increased speed limit is not expected to result in a significant reduction in the number of drivers ticketed by troopers. This means that the magnitude of the potential loss in fine revenues that would otherwise have been collected for deposit in the State Highway Safety Fund (Fund 7036) will be minimal at most annually, if that.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

Overview

Current law mandates a 65 miles per hour (mph) speed limit on operators of any motor vehicle weighing less than 8,000 pounds empty and any commercial bus on interstate freeways. The bill increases the speed limit for such operators on interstate freeways to 70 mph. Because a provision in Am. Sub. H.B. 2, the FY 2010-FY 2011 transportation budget, increased the interstate freeway speed limits for operators of motor vehicles weighing more than 8,000 pounds empty and all noncommercial buses from 55 mph to 65 mph, there would be a unified speed limit of 65 mph for all vehicles on interstate freeways between July 1, 2009 and the effective date of the bill. After the effective date of the bill, there would be a split speed limit once again.

Speed limit signage costs

According to the Ohio Department of Transportation (ODOT), most freeway and highway speed limit signs are posted at interchanges on interstate freeways and state and U.S. highways, so that oncoming motorists are aware of the speed limit. There are approximately 400 interchanges on interstate freeways. At each location where signs are posted there are two signs, one in each direction. Therefore, there are an estimated 800 signs on interstate freeways.

It would cost approximately \$400, including equipment, labor, and materials, to replace each sign or overlay that will be installed to reflect the change in the speed limit for heavy vehicles enacted in H.B. 2. At \$400 per sign, the total cost would be approximately \$320,000 (800 signs X \$400 per sign = \$320,000) in FY 2010.

Speeding ticket fine revenue

Based on a conversation with staff of the Ohio State Highway Patrol, it appears that increasing the speed limit from 65 mph to 70 mph on certain interstate freeways for certain passenger vehicles and commercial buses is not expected to result in a significant reduction in the number of drivers ticketed by troopers. From LSC fiscal staff's perspective, this means that the magnitude of the potential loss in fine revenues that would otherwise have been collected for deposit in the State Highway Safety Fund (Fund 7036) will be minimal at most annually, if that.