



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
 (803)734-0640 • RFA.SC.GOV/IMPACTS

Bill Number: H. 4973 Veto Overridden on June 28, 2018
Author: Bales
Subject: Special License Plates
Requestor: House of Representatives
RFA Analyst(s): Wren
Impact Date: August 1, 2018

Estimate of Fiscal Impact

	FY 2018-19	FY 2019-20
State Expenditure		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	Undetermined	\$0
Other and Federal	\$0	\$0
Local Expenditure	\$0	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

This bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds of the Department of Motor Vehicles (DMV) since the department currently issues transporter plates and demonstration certificates.

The increase in General Fund revenue is undetermined since the number of former members of the General Assembly that may opt to receive an additional special license plate is unknown. Additionally, we anticipate no significant change in Other Funds revenue of DMV or the Department of Transportation (DOT) due to the change in eligibility for transporter plates for financial institutions.

Explanation of Fiscal Impact

Veto Overridden on June 28, 2018

State Expenditure

The bill adds financial institutions to the current list of approved entities that may apply to the Department of Motor Vehicles (DMV) for a special registration and transporter plates to transport certain vehicles. The financial institution must be engaged in the business of repossessing vehicles, accepting voluntary repossessions, or relinquishment of vehicles for which the financial institution has a valid security agreement or lien. Financial institutions with multiple branches must complete an application for each branch, with a maximum number of two registrations. The use of transporter plates for demonstration purposes is limited to prospective purchasers for no more than seven days. Financial institutions must provide prospective purchasers with a dated demonstration certificate that has been approved by DMV.

DMV indicates that the department currently issues transporter plates and demonstration certificates. Since this portion of the bill only broadens the scenarios under which the transporter plates and demonstration certificates may be utilized, DMV does not anticipate an increase in General Fund, Other Fund, or Federal Fund expenses.

State Revenue

This bill allows DMV to issue two special license plates, instead of one, to former members of the General Assembly, whether or not they are eligible to receive retirement benefits. The special license plate for former members of the General Assembly must contain the same seal that is imprinted on the special license plates issued to current members of the General Assembly. An individual who has been investigated by state or local authorities resulting in a resignation or conviction of a crime involving dishonesty or moral turpitude, or another crime punishable by imprisonment for at least one year may not apply for the special motor vehicle license plate. An individual convicted of an offense contained in this bill subsequent to issuance of a special motor vehicle license plate must surrender the special license plate to DMV within three days of the date of the conviction.

Pursuant to Section 56-3-2020, the fee for the special license plate for members of the General Assembly is \$30 biennially, in addition to the regular motor vehicle registration fee set forth in Article 5 of Chapter 3 of Title 56. The \$30 fee is allocated to the General Fund. Since the number of former members of the General Assembly that may opt to receive an additional special license plate pursuant to this bill is unknown, the increase in revenue to the General Fund is undetermined.

This bill adds financial institutions to the current list of approved entities that may apply to the Department of Motor Vehicles (DMV) for transporter plates to transport certain vehicles. The existing \$50 annual registration fee for transporter plates is allocated to the State Highway Fund of DOT. The existing \$10 per plate fee is split, with \$2 allocated to Other Funds of DMV and \$8 to the State Highway Fund of DOT.

Based upon data provided by DMV, the \$50 annual registration fee for transporter plates generated \$650 in revenue for the State Highway Fund of DOT in FY 2017-18. The \$10 transporter plate fee generated \$334 in revenue for the Plate Replacement Fund of DMV and \$1,336 in revenue for the State Highway Fund of DOT in FY 2017-18. While the number of financial institutions utilizing transporter plates may increase, we expect that the number of entities that previously used these plates to repossess or transport vehicles to decline. Therefore, we anticipate no significant change in Other Funds revenue generated from the annual registration fee or transporter plate fee in FY 2018-19.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director