



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: S. 1083 Introduced on March 6, 2018
Author: Grooms
Subject: License Plates
Requestor: Senate Transportation
RFA Analyst(s): Wren
Impact Date: March 19, 2018

Estimate of Fiscal Impact

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

Fiscal Impact Summary

The expenditure impact of this bill on the General Fund, Other Funds, and Federal Funds of the Department of Motor Vehicles (DMV) for the administration and regulation of a program for the issuance of temporary license plates is pending, contingent upon a response from the agency. The revenue impact on the State Highway Fund of the Department of Transportation (DOT) for the deletion of the allocation of the \$5 fee charged for the issuance of temporary license plates is pending, contingent upon a response from DMV. The impact on General Fund revenue, Other Funds revenue, and local government revenue for the deletion of the \$100 fee associated with the violation of the issuance and use of temporary license plates is pending, contingent upon a response from DMV. Any cost savings associated with a reduction in court costs for municipal and magistrates courts as a result of fewer cases is expected to be minimal. Additionally, all entities authorized to issue temporary license plates must comply with all program specifications within 180 days of the effective date of this bill. The bill's effective date is twelve months after approval by the Governor. Therefore, any expenditure or revenue impact will be realized in FY 2019-20.

Explanation of Fiscal Impact

Introduced on March 6, 2018

State Expenditure

This bill authorizes DMV to administer and regulate a program for the issuance of temporary license plates for newly acquired vehicles. DMV must establish the design and layout of all temporary license plates. Also, the bill authorizes DMV to administer an electronic system for county auditor offices, licensed motor vehicle dealers, leasing companies, and other entities

authorized by DMV to use when issuing temporary license plates. DMV may contract with vendors to provide service connection between the issuing entities. DMV may also provide the service directly to participating entities. DMV must also develop program specifications that define the requirements of the temporary license plate program governing the issuance of temporary license plates by all authorized entities. Additionally, licensed dealers and leasing companies must receive temporary license plates from registered temporary license plate dealers. Counties and other non-dealer entities may receive temporary license plates from a registered distributor or DMV. All entities authorized to issue temporary license plates must comply with all program specifications within 180 days of the effective date of this bill. The bill's effective date is twelve months after approval by the Governor. Therefore, any expenditure impact will be realized in FY 2019-20.

The expenditure impact of this bill on DMV is pending, contingent upon a response from the agency.

State Revenue

This bill deletes the \$100 fee and reference to a misdemeanor for the conviction of individuals that violate the provisions related to the issuance or use of a temporary license plate. Also, this bill deletes the requirement that the \$5 fee charged by DMV for the issuance of a temporary license plate is allocated to the State Highway Fund of the Department of Transportation.

Existing law distributes revenue generated from fines, assessments, and surcharges imposed for convictions in the court system among the General Fund, specified state agencies and programs, and local governments. The revenue impact on the General Fund and Other Funds associated with the deletion of the \$100 fee for an individual that violates the provisions related to the issuance of temporary license plates is pending, contingent upon a response from DMV. All entities authorized to issue temporary license plates must comply with all program specifications within 180 days of the effective date of this bill. The bill's effective date is twelve months after approval by the Governor. Therefore, any revenue impact will be realized in FY 2019-20.

The reduction in revenue to the State Highway Fund relating to the \$5 fee for the issuance of temporary license plates is pending, contingent upon a response from DMV.

Local Expenditure

The deletion of the \$100 fee for an individual that violates the provisions related to the issuance of temporary license plates could result in a cost savings to municipal and magistrates courts. However, any reduction in expenses associated with a reduction in court costs for local governments is expected to be minimal.

Local Revenue

Existing law distributes revenue generated from fines, assessments, and surcharges imposed for convictions in the court system among the General Fund, specified state agencies and programs, and local governments. The revenue impact on local governments associated with the deletion of the \$100 fee for an individual that violates the provisions related to the issuance of temporary license plates is pending, contingent upon a response from DMV.



Frank A. Rainwater, Executive Director