



# SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

## STATEMENT OF ESTIMATED FISCAL IMPACT

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<b>Bill Number:</b>	H. 3600	Introduced on January 12, 2021
<b>Author:</b>	Ott	
<b>Subject:</b>	Utility Terrain Vehicle	
<b>Requestor:</b>	House Education and Public Works	
<b>RFA Analyst(s):</b>	Griffith and Gardner	
<b>Impact Date:</b>	April 23, 2021	

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### Fiscal Impact Summary

This bill allows the owner of a utility terrain vehicle (UTV) to obtain a permit decal and registration from DMV and specifies violations related to the operation of UTVs. General Fund expenditures of the Department of Motor Vehicles (DMV) will increase by at least \$59,850 in FY 2021-22 and by at least \$53,250 in each fiscal year thereafter.

This bill establishes a new five-dollar fee to obtain a permit decal and registration for a UTV from DMV. The revenue from this fee is directed to the General Fund. As this is a new fee and the number of owners who will want to register and obtain a permit for their UTVs is unknown, the amount of this revenue increase is undetermined. The bill also establishes a fine for violations related to the use of UTVs on public highways. As this is a new offense, there is no data with which to estimate the number of potential violations related to UTVs. Consequently, the amount of the resulting revenue increase for the Judicial Department from fines is undetermined.

### Explanation of Fiscal Impact

#### Introduced on January 12, 2021

##### State Expenditure

This bill allows the owner of a utility terrain vehicle (UTV) to obtain a permit decal and registration from DMV. The driver of the UTV must wear a fastened safety belt when it is being operated on public streets and highways. To update its systems for the new permit and decal, DMV estimates that it will cost \$5,775. To program the UTV seatbelt violation in its systems will cost \$825. Thus, the total nonrecurring expenditure impact on the department will be \$6,600.

The department will also require recurring funding for one FTE, who will handle the additional workload of processing UTV registrations and mailing decals. Including salary and fringe benefits, this amounts to \$53,250 in recurring expenditures. Other recurring costs including the cost of the decals, which DMV reports is 55 cents per decal. Since there is no data with which to estimate how many owners will want to register and obtain a permit for their UTVs, the total recurring expenditure impact on DMV is undetermined.

## **State Revenue**

**Department of Motor Vehicles.** In order to obtain a permit decal and registration from DMV, the owner of a UTV is required to pay a five-dollar fee. Since there is no data with which to estimate how many owners will want to register and obtain a permit for their UTVs, the amount of fee revenue, which will be distributed to the General Fund, is undetermined.

**Judicial Department.** The driver of a UTV must wear a Type 1 or Type 2 fastened seat belt when the UTV is being operated on public streets and highways. Additionally, the UTV must be equipped with operable headlights and brake lights. For any one of these violations, the driver may not be fined more than twenty-five dollars. For multiple violations in a single incident, the driver may not be fined more than fifty dollars. Because violations related to improperly-equipped UTVs and failure to use a seat belt are newly created in this bill, there is no data with which to estimate the number of violations that will occur. Consequently, the amount of the resulting revenue increase for the Judicial Department from fines is undetermined.

## **Local Expenditure**

N/A

## **Local Revenue**

N/A



Frank A. Rainwater, Executive Director