



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: H. 3685 As amended by House Judiciary on February 9, 2016
Author: D.C. Moss
Subject: Electronic tickets and citations
Requestor: Senate Judiciary
RFA Analyst(s): Wren, Gardner, and Williams
Impact Date: March 11, 2016

Estimate of Fiscal Impact

	FY 2016-17	FY 2017-18
State Expenditure		
General Fund	\$646,000	\$0
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Local Expenditure	Undetermined	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

This bill will increase General Fund expenditures by \$646,000 annually beginning in FY 2016-17 for the Department of Public Safety. This bill will have no expenditure impact on Federal Funds or Other Funds. The impact on SLED is pending, contingent upon a response from the agency. The expenditure impact on local law enforcement agencies is undetermined.

Explanation of Fiscal Impact

Explanation of Amendment by the House on February 9, 2016

State Expenditure

The bill, as amended, amends various Sections of Title 56, Chapter 7, by stating that all traffic tickets must be transmitted electronically by the law enforcement agency to the Department of Motor Vehicles within five days of the disposition of the case by final trial court action. The courts are responsible for forwarding court disposition information to the department. This bill, as amended, also amends various sections of Title 56, Chapter 1, by providing that when a magistrate or clerk fails to electronically forward ticket and license surrender information to the department within five days, the suspension or revocation does not begin until the department receives and processes the license and ticket, provided that the end date of the term of suspension or revocation must be calculated from the date of surrender and not the date the department processes the ticket. Additionally, if the administrative hearing results in the continued suspension, cancellation, or revocation of the license, the term of the suspension, cancellation, or revocation of the defendant's license is deemed to commence upon the date of the administrative hearing and not on the date of the notice provided by the department. Also, the amendment to

this bill repeals Section 56-3-1972, which states that uniform parking violations tickets must consist of five copies.

The Department of Motor Vehicles. The department indicates that implementation of this bill will have no expenditure impact on the General Fund, Federal Funds, or Other Funds.

The Department of Public Safety. The department indicates that implementation of this bill will increase General Fund expenditures by \$646,000 annually beginning in FY 2016-17 for updating ticketing equipment.

Judicial Department. The department indicates that this bill will have no expenditure impact since the capability to electronically transmit traffic ticket court disposition information is included in existing technology development plans.

The South Carolina Law Enforcement Division. SLED was contacted and the expenditure impact on the agency is pending, contingent upon a response.

State Revenue

The bill, as amended, deletes the requirement of imposing a five dollar surcharge being imposed on all fines, forfeitures, escheatments, or other monetary penalties imposed in general sessions court, magistrates court, and municipal court for misdemeanor traffic offenses and for non-traffic violations where a ticket or citation was issued. Therefore, the bill, as amended, will have no revenue impact on the General Fund, Federal Funds, or Other Funds.

Local Expenditure

The Revenue and Fiscal Affairs Office contacted twenty-three county governments and the Municipal Association of South Carolina regarding the expenditure impact of this bill and received responses from Richland County and the Municipal Association. Richland County indicates that any expenses associated with this bill can be absorbed within the county's current budget. Since only one of the surveyed counties provided a response, the expenditure impact on county law enforcement agencies statewide is undetermined. The Municipal Association indicates that the expenditure impact of this bill will be minimal to municipal law enforcement agencies.

Local Revenue

N/A

Explanation of Bill Filed on February 18, 2015

State Expenditure

N/A

State Revenue

This bill adds Section 14-1-219, which requires a five dollar surcharge to be imposed on all fines, forfeitures, escheatments, or other monetary penalties imposed in general sessions court, magistrates court, and municipal court for misdemeanor traffic offenses and for non-traffic violations which a ticket or citation was issued. Twenty percent of the revenue must be allocated

to the Office of Court Administration and eighty percent must be allocated to the law enforcement agency that prepared the citation or ticket. All funds derived from this surcharge must be used exclusively for the procurement, maintenance, and repair of electronic citation systems.

Based upon information obtained from the FY 2013-14 State Treasurer's Court Distribution to Agencies Report, the Law Enforcement Training Council receives approximately \$3,500,000 from the five dollar surcharge that is used to fund training at the Criminal Justice Academy. This five dollar surcharge is levied on all fines, forfeitures, escheatments, and other monetary penalties imposed in general sessions court, magistrates court, and municipal court, for misdemeanor traffic offenses and non-traffic violations. We use the current \$3,500,000 as part of the estimated revenue impact, but these surcharges do not include parking citations. To add parking violations, RFA requested the Municipal Association of South Carolina to assist us in gathering data on municipal parking violations since there is no central depository for this data. The Municipal Association reports that most smaller municipalities across the state do not issue parking tickets as there is low demand for parking. Therefore, we are using a municipal population of 40,000 as a threshold for determining municipalities expected to issue tickets in our analysis. Based upon U.S. Census population, eight municipalities have a population of 40,000 or greater. The Municipal Association reports that two of the largest municipalities in the state issued 211,000 parking tickets in 2014. The average number of parking tickets for these two municipalities is 105,500. Applying this average to the remaining municipalities with a population of at least 40,000, factoring in the new five dollar surcharge, and assuming a similar pattern in FY 2015-16, we estimate an additional \$4,220,000 in revenue for the parking ticket portion of this amendment.

Therefore, we estimate the five dollar surcharge on traffic and non-traffic violations and parking citations, associated with this amendment, would increase Other Funds revenue by \$7,720,000 in FY 2015-16. Twenty percent, or \$1,544,000, would be allocated to the Office of Court Administration and eighty percent, or \$6,176,000 would be allocated to the law enforcement agency that prepared the citation or ticket in FY 2015-16.

Local Expenditure

The Revenue and Fiscal Affairs Office contacted the Municipal Association of South Carolina and twenty-five county governments regarding the expenditure impact of this amendment. We received responses from the Municipal Association and two county responses. The Municipal Association reports that municipalities currently collect surcharges on tickets, so the expenditure impact on municipal governments would be minimal. Charleston County reports that it does not collect parking violations. Florence County indicates this amendment would have no impact. Due to the limited number of county responses, our office cannot determine an expenditure impact on county governments.

Local Revenue

N/A



Frank A. Rainwater, Executive Director