



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

STATEMENT OF ESTIMATED FISCAL IMPACT

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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number:	H. 3884	Signed by Governor on May 17, 2021
Author:	Hiott	
Subject:	Electronic Transaction Fees 2.0	
Requestor:	House of Representatives	
RFA Analyst(s):	Miller	
Impact Date:	July 12, 2021	

Fiscal Impact Summary

This bill permits the Department of Natural Resources (DNR) to electronically transmit and receive documentation related to the certificate of title for watercraft or outboard motors. The agency reports that the General Fund and/or Other Funds expenditure increase to implement the electronic lien program is currently undetermined. However, DNR anticipates setting the fees to offset all expenditures within the limitations in the bill.

Additionally, this bill permits DNR to collect a fee of no more than \$5 per transaction from commercial parties and owners who transmit or retrieve electronic data. The agency currently does not have an estimate of the final fee amount. Therefore, the amount of the Other Funds revenue increase beginning in FY 2022-23 is undetermined. However, DNR anticipates all fee revenue will be used to pay for all corresponding expenditures.

Explanation of Fiscal Impact

Signed by Governor on May 17, 2021

State Expenditure

This bill permits DNR to electronically transmit and receive documentation related to the certificate of title for watercraft or outboard motors. The department may collect a fee from commercial parties and owners who transmit or retrieve electronic data. This fee will be used to defray the expenses of the electronic lien program. At this time, DNR is working to estimate the cost to process this electronic documentation. When this cost is determined, DNR anticipates setting the fee amount to correspond with the expenditures within the limits in the bill. Therefore, the General Fund and/or Other Funds expenditure increase is undetermined, but is expected to be offset by the corresponding revenue increase.

State Revenue

This bill allows DNR to collect a fee or no more than \$5 per transaction from commercial parties and owners who transmit or retrieve electronic data. This fee will be used to defray the expenses of the electronic lien program. The bill is effective July 1, 2022. Any revenue impact would likely take effect in FY 2022-23. As discussed above, DNR anticipates setting the fee to correspond to the cost of the electronic lien program and has not yet determined the final fee amount. Therefore, the Other Funds revenue increase is currently undetermined.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director