



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: S. 0441 As signed by the Governor on June 1, 2015
 Author: Hayes
 Requestor: Senate Banking and Insurance
 Date: June 16, 2015
 Subject: Guaranteed Asset Protection Act
 RFA Analyst(s): Stein and Wren

Estimate of Fiscal Impact

	FY 2015-16	FY 2016-17
State Expenditure		
General Fund	Minimal	N/A
Other and Federal	\$0	N/A
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	N/A	N/A
Other and Federal	N/A	N/A
Local Expenditure	N/A	N/A
Local Revenue	N/A	N/A

Fiscal Impact Summary

This bill would have minimal to no expenditure impact on the General Fund. This bill would have no expenditure impact on Federal Funds or Other Funds.

Explanation of Fiscal Impact

Explanation of Amendment (April 16, 2015) – By the Senate

State Expenditure

Senate Bill 441 amends Title 37 by adding Chapter 30 entitled the Guaranteed Asset Protection Act. The bill provides a framework within which guaranteed asset protection waivers for motor vehicles are defined and may be offered. The bill provides for required disclosures, cancellation of waivers, and enforcement of the Chapter. The amendment to the original bill substitutes Manager for Administrator. The amendment limits guaranteed asset protection waivers for loans unrelated to the purchase of a motor vehicle to loans with a repayment term of more than twelve months and a principal amount of over four thousand dollars. Additional truth in lending requirements are added and lessors of motor vehicles are not required to insure obligations of guaranteed asset protection waivers. Additional restrictions on the sale of guaranteed asset protection waivers and certain consumer protections are added. The amendment authorizes the Administrator of the Department of Consumer Affairs to enforce the provisions of this Chapter and to protect guaranteed asset protection waiver holders, and deletes the requirement to hold hearings contained in the original bill before taking action. The bill also provides that a consumer who suffers loss as a result of a violation of this Chapter may bring a civil action and if successful shall recover actual damages, reasonable attorney's fees, and court costs.

Department of Insurance. The department reports that this bill would have no expenditure impact on the General Fund, Federal Funds, or Other Funds.

Department of Consumer Affairs. The department reports that this bill would have a minimal expenditure impact on the General Fund which would be absorbed using available resources. This bill would have no expenditure impact on Federal Funds or Other Funds.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A

Explanation of Bill Filed on February 11, 2015

State Expenditure

Senate Bill 441 amends Title 37 by adding Chapter 30 entitled the "Guaranteed Asset Protection Act." The bill provides a framework within which guaranteed asset protection waivers for motor vehicles are defined and may be offered. The bill provides for required disclosures, cancellation of waivers, and enforcement of the Chapter.

The Department of Insurance reports that this bill would have no expenditure impact on the General Fund, Federal Funds, or Other Funds.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director