

## REPORT OF THE REVENUE POLICY SUBCOMMITTEE

(White, Limehouse, Bingham, Pitts & Herbkersman - Staff Contact: Ryan L. Burnaugh)

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### SENATE BILL 1258

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S. 1258 -- Finance Committee: A BILL TO AMEND CHAPTER 43, TITLE 11 OF THE 1976 CODE, RELATING TO THE SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK, TO PROVIDE FOR THE DISTRIBUTION BY THE DEPARTMENT OF TRANSPORTATION AND THE SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK OF CERTAIN FEES AND FINES COLLECTED BY THE DEPARTMENT OF MOTOR VEHICLES TRANSFERRED TO THE STATE HIGHWAY FUND; TO AMEND SECTIONS 12-37-2740(D), 38-73-470, 56-1-170(B)(3), 56-1-200, 56-1-286(K)(1), 56-1-390(2), 56-1-400(A), 56-1-460(A)(1)(e)(iii), 56-1-550, 56-1-740(B)(3), 56-1-746(D)(3), 56-1-2080, 56-3-355, 56-3-1335, 56-5-750(G)(3), 56-5-2951(B)(1), 56-5-2951(H)(3), 56-9-330, 56-10-240(C), 56-10-245, 56-10-552, 56-19-420(C), AND 56-19-520(A)(4), ALL OF THE 1976 CODE, ALL RELATING TO FEES OR FINES COLLECTED BY THE DEPARTMENT OF MOTOR VEHICLES, TO PROVIDE THAT ALL OR A PORTION OF THE FEES SHALL BE CREDITED TO THE STATE HIGHWAY FUND, AND TO PROVIDE FOR THE DISTRIBUTION OF THOSE FUNDS BY THE DEPARTMENT OF TRANSPORTATION AND THE SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK; TO AMEND SECTION 12-36-2647 OF THE 1976 CODE, AS ENACTED IN ACT 98 OF 2013 AND RELATED TO SOURCES OF REVENUE USED FOR HIGHWAY CONSTRUCTION AND MAINTENANCE, TO PROVIDE THAT THE REVENUES OF SALES, USE, AND CASUAL EXCISE TAXES DERIVED PURSUANT TO SECTIONS 12-36-2620(1) AND 12-36-2640(1) ON THE SALE, USE, OR TITLING OF A MOTOR VEHICLE MUST BE CREDITED TO THE STATE HIGHWAY FUND, AND TO PROVIDE FOR THE DISTRIBUTION OF THOSE FUNDS BY THE DEPARTMENT OF TRANSPORTATION AND THE SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK.

***Summary of Bill:***

Transfers Motor Vehicle Sales Tax revenues and DMV Fees and Fines revenues to the SCDOT. An equivalent amount of non-tax source revenues are transferred from the SCDOT to the SIB for bridge and interstate projects identified by the SCDOT. An estimated \$950 M to eliminate structurally-deficient and load-restricted bridges, and \$2 B for Interstate Widening and Improvements. *See attached for bill and amendment summaries.*

***Estimated Revenue Impact:***

As amended, this bill would reduce fees and fines revenue from the DMV by an estimated \$84,200,000. General Fund sales and use tax revenue and the State Non-Federal Aid Highway Fund will each be reduced by an estimated \$65,680,000. All funds will be distributed to the SCDOT's State Highway Fund, for an estimated total of \$215,560,000 in FY 16-17.

***Subcommittee Recommendation:***

Favorable with Amendment

## S. 1258 Summary

Directs all revenue collected from the sales tax on motor vehicles - excluding the 20% portion designated for the EIA - to be credited to the SCDOT State Highway Fund

- **RFA Estimate: \$131,360,000**
- SCDOT must transfer amount required to finance bridge and road projects identified by SCDOT to the State Infrastructure Bank (SIB)
  - The first \$50 M in funds are to be used to finance bridge replacement, rehabilitation projects and expansion and improvements on existing roads in the state-highway system
  - Funds in excess of \$50 M are to be used to finance expansion and improvements to existing mainline interstates
  - SCDOT will identify the projects. Funds cannot be used to finance projects approved before July 1, 2013. Joint Bond Review Committee (JBRC) must review projects.
- SCDOT is directed to allocate any funds not needed to finance SIB projects to the state-funded resurfacing program and develop a needs-based methodology to distribute the revenue so that each county is guaranteed funding.

Directs that certain fees and fines collected and retained by the Department of Motor Vehicles (DMV) shall be transferred to the State Highway Fund

- **RFA Estimate: \$71,750,000**
- SCDOT must transfer amount required to finance bridge and road projects identified by SCDOT to the State Infrastructure Bank (SIB)
  - SCDOT will identify the projects. Funds cannot be used to finance projects approved before July 1, 2013. Joint Bond Review Committee (JBRC) must review projects.
- SCDOT is directed to allocate any funds not needed to finance SIB projects to the state-funded resurfacing program and develop a needs-based methodology to distribute the revenue so that each county is guaranteed funding.

## Proposed Use of Bond Proceeds

\$1.5 B - Expansion and improvements to interstates

\$700 M - Eliminate structurally-deficient and load-restricted bridges

## S.1258 Amendment Summary

- Amendment adds new sections to include language from the House passed, amended version of H.3579 (now in conference), and a provision to capture all fee and fine revenue retained by the DMV for operations an increase from **\$71.75 M/year** (senate version) to **\$84.2 M/year**
- This represents an additional **\$12.45 M/year** or **\$136 M** in additional SIB bonds

### Commission

- All Highway Commissioners are appointed by the Governor, 7 district and 1 state-wide
- Keeps the qualifications for Commissioners removed in senate version
- Requires that "other demographic factors such as residence in rural or urban areas" be considered
- Advice and consent of **General Assembly** (*roll call language removed*)
- Commissioners serve four year terms, no more than two consecutive terms, and may not serve more than 12 years, regardless of when the term is/was served (retroactive)

### Secretary

- Commission appoints a Secretary of Transportation with Advice/Consent of **General Assembly** (*roll call language removed*)
- Secretary serves at the pleasure of the Commission

### Chief Internal Auditor

- Places the SCDOT Chief Internal Auditor under the State Auditor

### Joint Transportation Review Committee

- Repeals the JTRC code sections and eliminates the Committee

### Effective Dates and Current Commissioners

- Sections 1-4 take effect on July 1, 2016
- Members serving on the Commission on June 30, 2016 shall continue to serve until their current term expires, and until their successor is appointed and confirmed
- Vacancies are filled by appointment of the Governor, and serve until the end of that unexpired term
- Any eligible commissioner may be reappointed by Governor on or after June 30, 2016

### SIB Project Review by Commission

- Before any loan or financial assistance can be provided by the SIB, the board must submit the decision to the DOT Commission for approval, rejection, or a request for additional information from the SIB Board
- Does not relate to any payment or contractual obligations that the DOT has to the bank that are pledged to any bonds issued by the bank

### \$25 M SIB Project Threshold

- SIB cannot provide financial assistance for any project below \$25 M

### Act 114 Criteria Requirement for SIB

- SIB must follow the Act 114 prioritization criteria
- A Joint Resolution for a single, specific project can override this provision

### Severability

- Severability section

### Effective Date

- Except where otherwise provided, this act takes effect on July 1, 2016

## 1258 Funding Summary

- Fee and Fine revenues collected by the DMV and used for agency operations are transferred to the SCDOT/State Highway Fund - **\$84.2 M**
- All Motor Vehicle Sales tax revenues (excluding the EIA portion) are transferred to the SCDOT/State Highway Fund - **\$131.3 M**
- SCDOT to use funds for resurfacing program, implemented with a needs-based distribution methodology, including consideration on a county-by-county basis, to ensure that each county in the state is guaranteed funding for resurfacing
- SCDOT shall identify road and bridge projects to be financed through the SIB, and transfer non-tax revenue in amounts equal to the finance requirements of the selected projects
- These funds may not be used for projects approved by the SIB prior to July 1, 2013
- All projects must be approved by the Joint Bond Review Committee (JBRC)
- SIB projects funded under this provision will not require local match
- SCDOT will apply funds to maximize dollars for bridge and resurfacing needs, bonding only what is needed for the larger projects (Malfunction Junction)
- With the new recurring funds from DMV fees & fines and the Vehicle Sales tax, SIB bonds, and the utilization of existing SCDOT funds will result in a total of **\$4.2 B - \$4.5 B over the next ten years**
- **Bridges: \$950 M** to completely eliminate structurally-deficient bridges on interstates and national highway system routes
- **Interstates: \$2 B** in widenings and improvements to existing Interstates
- **Resurfacing: \$1.4+ B** in pavement resurfacing
- A detailed explanation and proposed project list provided by SCDOT is attached

HOUSE  
AMENDMENT

THIS AMENDMENT  
ADOPTED



GOOD/MELTON  
MAY 17, 2016

\_\_\_\_\_  
CLERK OF THE HOUSE

REP. WHITE PROPOSES THE FOLLOWING AMENDMENT  
No. TO S. 1258 (COUNCIL\BBM\1258C002.BBM.DG16):

REFERENCE IS TO PRINTER'S DATE 4/20/16-S.

**AMEND THE BILL, AS AND IF AMENDED, BY ADDING  
APPROPRIATELY NUMBERED SECTIONS TO  
READ:**

**/ SECTION \_\_\_\_ . A. SECTIONS 57-1-310  
THROUGH SECTION 57-1-340 OF THE 1976 CODE,  
ALL AS LAST AMENDED BY ACT 114 OF 2007, ARE  
FURTHER AMENDED TO READ:**

**“SECTION 57-1-310. (A) THE  
CONGRESSIONAL DISTRICTS OF THIS STATE ARE  
CONSTITUTED AND CREATED DEPARTMENT OF**

TRANSPORTATION DISTRICTS OF THE STATE, DESIGNATED BY NUMBERS CORRESPONDING TO THE NUMBERS OF THE RESPECTIVE CONGRESSIONAL DISTRICTS. THE COMMISSION OF THE DEPARTMENT OF TRANSPORTATION SHALL BE COMPOSED OF ONE MEMBER FROM EACH TRANSPORTATION DISTRICT ~~ELECTED BY THE DELEGATIONS OF THE CONGRESSIONAL DISTRICT~~ AND ONE MEMBER ~~APPOINTED BY THE GOVERNOR~~ FROM THE STATE AT LARGE, ALL APPOINTED BY THE GOVERNOR, UPON THE ADVICE AND CONSENT OF THE GENERAL ASSEMBLY. SUCH ELECTIONS OR APPOINTMENT, AS THE CASE MAY BE, IN MAKING APPOINTMENTS TO THE COMMISSION, THE GOVERNOR SHALL TAKE INTO ACCOUNT RACE, AND GENDER, AND OTHER DEMOGRAPHIC FACTORS, SUCH AS RESIDENCE IN RURAL OR URBAN AREAS, SO AS TO REPRESENT, TO THE GREATEST EXTENT POSSIBLE, ALL SEGMENTS OF THE POPULATION OF THE STATE; HOWEVER, CONSIDERATION OF THESE FACTORS IN MAKING AN APPOINTMENT OR IN AN

~~ELECTION IN NO WAY CREATES A CAUSE OF ACTION OR BASIS FOR AN EMPLOYEE GRIEVANCE FOR A PERSON APPOINTED OR ELECTED OR FOR A PERSON WHO FAILS TO BE APPOINTED.~~

~~(B)(1) CANDIDATES FOR ELECTION TO THE COMMISSION MUST BE SCREENED BY THE JOINT TRANSPORTATION REVIEW COMMITTEE, AS PROVIDED IN ARTICLE 7 OF THIS CHAPTER, AND DETERMINED TO MEET THE QUALIFICATIONS CONTAINED IN SUBSECTION (C) IN ORDER TO BE ELIGIBLE FOR ELECTION.~~

~~(2) THE AT-LARGE APPOINTMENT MADE BY THE GOVERNOR MUST BE TRANSMITTED TO THE JOINT TRANSPORTATION REVIEW COMMITTEE. THE JOINT TRANSPORTATION REVIEW COMMITTEE MUST DETERMINE WHETHER THE AT-LARGE APPOINTEE MEETS THE QUALIFICATIONS IN SUBSECTION (C) AND REPORT ITS FINDINGS TO THE GENERAL ASSEMBLY AND THE GOVERNOR. UNTIL THE JOINT TRANSPORTATION REVIEW COMMITTEE FINDS A GUBERNATORIAL APPOINTEE QUALIFIED, THE APPOINTEE MUST NOT TAKE THE OATH OF OFFICE AND THE FULL RIGHTS AND PRIVILEGES AND POWERS OF THE OFFICE SHALL NOT VEST.~~

~~(C) THE QUALIFICATIONS THAT EACH COMMISSION MEMBER MUST POSSESS, INCLUDE, BUT ARE NOT LIMITED TO:~~

~~(1) A BACCALAUREATE OR MORE ADVANCED DEGREE FROM:~~

~~(A) A RECOGNIZED INSTITUTION OF HIGHER LEARNING REQUIRING FACE-TO-FACE CONTACT BETWEEN ITS STUDENTS AND INSTRUCTORS PRIOR TO COMPLETION OF THE ACADEMIC PROGRAM;~~

(B) AN INSTITUTION OF HIGHER LEARNING THAT HAS BEEN ACCREDITED BY A REGIONAL OR NATIONAL ACCREDITING BODY; OR

(C) AN INSTITUTION OF HIGHER LEARNING CHARTERED BEFORE 1962; OR

(2) A BACKGROUND OF AT LEAST FIVE YEARS IN ANY COMBINATION OF THE FOLLOWING FIELDS OF EXPERTISE:

- (A) TRANSPORTATION;
- (B) CONSTRUCTION;
- (C) FINANCE;
- (D) LAW;
- (E) ENVIRONMENTAL ISSUES;
- (F) MANAGEMENT; OR
- (G) ENGINEERING.

~~(D)~~(C) ~~NO~~ A MEMBER OF THE GENERAL ASSEMBLY OR MEMBER OF HIS IMMEDIATE FAMILY ~~SHALL~~ MAY NOT BE ELECTED OR APPOINTED TO THE COMMISSION WHILE THE MEMBER IS SERVING IN THE GENERAL ASSEMBLY; NOR SHALL A MEMBER OF THE GENERAL ASSEMBLY OR A MEMBER OF HIS IMMEDIATE FAMILY BE ELECTED OR APPOINTED TO THE COMMISSION FOR A PERIOD OF FOUR YEARS AFTER THE MEMBER EITHER:

- (1) CEASES TO BE A MEMBER OF THE GENERAL ASSEMBLY; OR
- (2) FAILS TO FILE FOR ELECTION TO THE GENERAL ASSEMBLY IN ACCORDANCE WITH SECTION 7-11-15.

SECTION 57-1-320. ~~(A) A COUNTY THAT IS DIVIDED AMONG TWO OR MORE DEPARTMENT OF TRANSPORTATION DISTRICTS, FOR PURPOSES OF ELECTING A COMMISSION MEMBER, IS DEEMED TO BE CONSIDERED IN THE DISTRICT WHICH CONTAINS THE LARGEST NUMBER OF RESIDENTS FROM THAT COUNTY.~~

~~(B) NO~~ A COUNTY WITHIN A DEPARTMENT OF TRANSPORTATION DISTRICT ~~SHALL~~ MAY NOT HAVE A RESIDENT COMMISSION MEMBER FOR MORE THAN ~~ONE CONSECUTIVE TERM~~ TWELVE CONSECUTIVE YEARS



AND IN NO EVENT SHALL ANY TWO PERSONS FROM THE SAME COUNTY SERVE AS A COMMISSION MEMBER SIMULTANEOUSLY EXCEPT AS PROVIDED HEREINAFTER.

~~SECTION 57-1-325. LEGISLATORS RESIDING IN THE CONGRESSIONAL DISTRICT SHALL MEET UPON WRITTEN CALL OF A MAJORITY OF THE MEMBERS OF THE DELEGATION OF EACH DISTRICT AT A TIME AND PLACE TO BE DESIGNATED IN THE CALL FOR THE PURPOSE OF ELECTING A COMMISSIONER TO REPRESENT THE DISTRICT. A MAJORITY PRESENT, EITHER IN PERSON OR BY WRITTEN PROXY, OF THE DELEGATION FROM A GIVEN CONGRESSIONAL DISTRICT CONSTITUTES A QUORUM FOR THE PURPOSE OF ELECTING A DISTRICT COMMISSIONER. NO PERSON MAY BE ELECTED COMMISSIONER WHO FAILS TO RECEIVE A MAJORITY VOTE OF THE MEMBERS OF THE DELEGATION.~~

~~THE DELEGATION MUST BE ORGANIZED BY THE ELECTION OF A CHAIRMAN AND A SECRETARY, AND THE DELEGATIONS OF EACH CONGRESSIONAL DISTRICT SHALL ADOPT SUCH RULES AS THEY CONSIDER PROPER TO GOVERN THE ELECTION. ANY ABSENTEE MAY VOTE BY WRITTEN PROXY. WHEN THE ELECTION IS COMPLETED, THE CHAIRMAN AND THE SECRETARY OF THE DELEGATION SHALL IMMEDIATELY TRANSMIT THE NAME OF THE PERSON ELECTED TO THE SECRETARY OF STATE WHO SHALL ISSUE TO THE PERSON, AFTER HE HAS TAKEN THE USUAL OATH OF OFFICE, A CERTIFICATE OF ELECTION AS COMMISSIONER. THE GOVERNOR SHALL THEN ISSUE A COMMISSION TO THE PERSON, AND PENDING THE ISSUANCE OF THE COMMISSION, THE CERTIFICATE OF ELECTION IS SUFFICIENT WARRANT TO THE PERSON TO PERFORM ALL OF THE DUTIES AND FUNCTIONS OF HIS OFFICE AS COMMISSIONER. EACH COMMISSIONER SHALL SERVE UNTIL HIS SUCCESSOR IS ELECTED AND QUALIFIED.~~

~~SECTION 57-1-330. (A) FOR THE PURPOSES OF ELECTING A COMMISSION MEMBER, A LEGISLATOR SHALL VOTE ONLY IN THE~~

~~CONGRESSIONAL DISTRICT IN WHICH HE RESIDES.~~ ALL COMMISSION MEMBERS ARE ELECTED TO A TERM OF OFFICE OF FOUR YEARS WHICH EXPIRES ON FEBRUARY FIFTEENTH OF THE APPROPRIATE YEAR. HOWEVER, A COMMISSION MEMBER MAY NOT SERVE MORE THAN TWO CONSECUTIVE TERMS, AND MAY NOT SERVE MORE THAN TWELVE YEARS, REGARDLESS OF WHEN THE TERM WAS SERVED. COMMISSIONERS SHALL CONTINUE TO SERVE UNTIL THEIR SUCCESSORS ARE ~~ELECTED~~ APPOINTED AND ~~QUALIFY~~ CONFIRMED, PROVIDED THAT A COMMISSIONER ~~MAY ONLY~~ MAY SERVE IN A HOLD-OVER CAPACITY FOR A PERIOD NOT TO EXCEED SIX MONTHS. ANY VACANCY OCCURRING IN THE OFFICE OF COMMISSIONER SHALL BE FILLED BY ~~ELECTION OR~~ APPOINTMENT IN THE MANNER PROVIDED IN THIS ARTICLE FOR THE UNEXPIRED TERM ONLY. EXCEPT FOR THE AT-LARGE MEMBER, ~~NO~~ A PERSON IS NOT ELIGIBLE TO SERVE AS A COMMISSION MEMBER WHO IS NOT A RESIDENT OF THAT DISTRICT AT THE TIME OF HIS APPOINTMENT. FAILURE BY ~~AN ELECTED~~ SUCH COMMISSION MEMBER TO MAINTAIN RESIDENCY IN THE DISTRICT FOR WHICH HE IS ~~ELECTED~~ APPOINTED SHALL RESULT IN THE FORFEITURE OF HIS OFFICE.

~~(B) THE AT-LARGE COMMISSION MEMBER SHALL SERVE AT THE PLEASURE OF THE GOVERNOR.~~ THE AT-LARGE COMMISSION MEMBER MAY BE APPOINTED FROM ANY COUNTY IN THE STATE UNLESS ANOTHER COMMISSION MEMBER IS SERVING FROM THAT COUNTY. FAILURE BY THE AT-LARGE COMMISSION MEMBER TO MAINTAIN RESIDENCE IN THE STATE SHALL RESULT IN A FORFEITURE OF HIS OFFICE.

~~(C) ALL ELECTED COMMISSION MEMBERS MAY BE REMOVED FROM OFFICE AS PROVIDED IN SECTION 1-3-240(C)(1).~~

SECTION 57-1-340. EACH COMMISSION MEMBER, WITHIN THIRTY DAYS AFTER HIS ~~ELECTION OR~~ APPOINTMENT, AND BEFORE ENTERING UPON THE DISCHARGE OF THE DUTIES OF HIS OFFICE, SHALL TAKE, SUBSCRIBE, AND FILE WITH THE SECRETARY OF STATE THE OATH OF OFFICE PRESCRIBED BY THE CONSTITUTION OF THE STATE.”

**B. SECTION 57-1-410 OF THE 1976 CODE, AS LAST AMENDED BY ACT 114 OF 2007, IS FURTHER AMENDED TO READ:**

**“SECTION 57-1-410. THE ~~GOVERNOR~~ COMMISSION SHALL APPOINT, WITH THE ADVICE AND CONSENT OF THE ~~SENATE~~ GENERAL ASSEMBLY, A SECRETARY OF TRANSPORTATION WHO SHALL SERVE AT THE PLEASURE OF THE ~~GOVERNOR~~ COMMISSION. A PERSON APPOINTED TO THIS POSITION SHALL POSSESS PRACTICAL AND SUCCESSFUL BUSINESS AND EXECUTIVE ABILITY AND BE KNOWLEDGEABLE IN THE FIELD OF TRANSPORTATION. THE SECRETARY OF TRANSPORTATION SHALL RECEIVE SUCH COMPENSATION AS MAY BE ESTABLISHED UNDER THE PROVISIONS OF SECTION 8-11-160 AND FOR WHICH FUNDS HAVE BEEN AUTHORIZED IN THE GENERAL APPROPRIATIONS ACT.”**

**C. THIS SECTION TAKES EFFECT JULY 1, 2016, EXCEPT THAT THE MEMBERS OF THE COMMISSION OF THE DEPARTMENT OF TRANSPORTATION SERVING ON JUNE 30, 2016, SHALL CONTINUE TO SERVE UNTIL THEIR CURRENT TERM EXPIRES, AND UNTIL THEIR SUCCESSOR IS APPOINTED AND CONFIRMED. IF A VACANCY OCCURS IN THE SEAT OF A MEMBER SERVING ON JUNE 30, 2016, BEFORE THE MEMBER'S TERM OTHERWISE EXPIRES, THE VACANCY MUST BE FILLED IN THE MANNER SPECIFIED IN CHAPTER 1, TITLE 57 OF THE 1976 CODE, AS AMENDED BY THIS ACT, AND THE MEMBER FILLING THE VACANCY SHALL SERVE UNTIL THE TERM EXPIRES. THE MEMBERS SERVING ON JUNE 30, 2016, IF OTHERWISE ELIGIBLE, MAY BE REAPPOINTED PURSUANT TO SECTION 57-1-310, AS AMENDED BY THIS ACT.**

**SECTION \_\_\_\_.** A. SECTION 57-1-360 OF THE 1976 CODE, AS ADDED BY ACT 114 OF 2007, IS AMENDED TO READ:

**“SECTION 57-1-360. (A) THE COMMISSION MUST APPOINT A STATE AUDITOR SHALL EMPLOY AN INDIVIDUAL TO SERVE AS THE CHIEF INTERNAL AUDITOR OF THE DEPARTMENT, AND OTHER PROFESSIONAL, ADMINISTRATIVE, TECHNICAL, AND CLERICAL PERSONNEL AS THE COMMISSION STATE AUDITOR DETERMINES TO BE NECESSARY IN THE PROPER DISCHARGE OF THE COMMISSION’S DUTIES AND RESPONSIBILITIES PROVIDED BY LAW. THE COMMISSION STATE AUDITOR ALSO MUST PROVIDE PROFESSIONAL, ADMINISTRATIVE, TECHNICAL, AND CLERICAL PERSONNEL, AS THE COMMISSION STATE AUDITOR DETERMINES TO BE NECESSARY, FOR THE CHIEF INTERNAL AUDITOR TO PROPERLY DISCHARGE HIS DUTIES AND RESPONSIBILITIES AUTHORIZED BY THE COMMISSION STATE AUDITOR OR PROVIDED BY LAW. EXCEPT AS OTHERWISE PROVIDED, ANY EMPLOYEES HIRED PURSUANT TO THIS SECTION SHALL SERVE AT THE PLEASURE OF THE COMMISSION STATE AUDITOR.**

**(B)(1) THE CHIEF INTERNAL AUDITOR SHALL SERVE FOR A TERM OF FOUR YEARS AND MAY BE REMOVED BY THE COMMISSION ONLY FOR MALFEASANCE, MISFEASANCE, INCOMPETENCY, ABSENTEEISM, CONFLICTS OF INTEREST, MISCONDUCT, PERSISTENT NEGLECT OF DUTY IN OFFICE, OR INCAPACITY. THE CHIEF INTERNAL AUDITOR MUST BE A CERTIFIED PUBLIC ACCOUNTANT AND POSSESS ANY OTHER EXPERIENCE THE COMMISSION STATE AUDITOR MAY REQUIRE. THE CHIEF INTERNAL AUDITOR MUST ESTABLISH, IMPLEMENT, AND MAINTAIN THE EXCLUSIVE INTERNAL AUDIT FUNCTION OF ALL DEPARTMENTAL ACTIVITIES. THE COMMISSION STATE AUDITOR SHALL SET THE SALARY FOR THE CHIEF INTERNAL AUDITOR AS ALLOWED BY STATUTE OR APPLICABLE LAW.**

**(2) THE AUDITS PERFORMED BY THE CHIEF INTERNAL AUDITOR MUST COMPLY WITH RECOGNIZED GOVERNMENTAL AUDITING STANDARDS. THE DEPARTMENT AND ANY ENTITY CONTRACTING WITH THE DEPARTMENT MUST FULLY COOPERATE WITH THE CHIEF INTERNAL AUDITOR IN THE DISCHARGE OF HIS DUTIES AND RESPONSIBILITIES AND MUST TIMELY PRODUCE ALL BOOKS, PAPERS, CORRESPONDENCE,**

MEMORANDA, AND OTHER RECORDS CONSIDERED NECESSARY IN CONNECTION WITH AN INTERNAL AUDIT. ALL FINAL AUDIT REPORTS MUST BE SUBMITTED TO THE COMMISSION AND THE CHAIRMAN OF THE SENATE TRANSPORTATION COMMITTEE, THE CHAIRMAN OF THE SENATE FINANCE COMMITTEE, THE CHAIRMAN OF THE HOUSE OF REPRESENTATIVES EDUCATION AND PUBLIC WORKS COMMITTEE, AND THE CHAIRMAN OF THE HOUSE OF REPRESENTATIVES WAYS AND MEANS COMMITTEE BEFORE BEING MADE PUBLIC.

(3) THE ~~COMMISSION~~ STATE AUDITOR IS VESTED WITH THE EXCLUSIVE MANAGEMENT AND CONTROL OF THE CHIEF INTERNAL AUDITOR.

(C) THE DEPARTMENT, AT ITS OWN EXPENSE, MUST PROVIDE APPROPRIATE OFFICE SPACE WITHIN ITS HEADQUARTERS, BUILDING, AND FACILITY SERVICE, INCLUDING JANITORIAL, UTILITY AND TELEPHONE SERVICES, COMPUTER AND TECHNOLOGY SERVICES, AND RELATED SUPPLIES, FOR THE CHIEF INTERNAL AUDITOR AND HIS SUPPORT STAFF.”

B. (A) THE CHIEF INTERNAL AUDITOR OF THE DEPARTMENT OF TRANSPORTATION AND ALL ASSOCIATED SUPPORT STAFF, AND ALL AUTHORIZED APPROPRIATIONS ASSOCIATED WITH THE CHIEF INTERNAL AUDITOR AND ASSOCIATED SUPPORT STAFF ARE TRANSFERRED TO AND BECOME PART OF THE STATE AUDITOR'S OFFICE, STATE FISCAL ACCOUNTABILITY AUTHORITY. THE CHIEF INTERNAL AUDITOR OF THE DEPARTMENT OF TRANSPORTATION AND ALL ASSOCIATED SUPPORT STAFF, WHETHER CLASSIFIED OR UNCLASSIFIED PERSONNEL, EMPLOYED BY THE DEPARTMENT OF TRANSPORTATION ON THE EFFECTIVE DATE OF THIS ACT, EITHER BY CONTRACT OR BY EMPLOYMENT AT WILL, SHALL BECOME EMPLOYEES OF THE STATE AUDITOR'S OFFICE, STATE FISCAL ACCOUNTABILITY AUTHORITY, WITH THE SAME COMPENSATION, CLASSIFICATION, AND GRADE LEVEL, AS APPLICABLE.

**(B) THE CHIEF INTERNAL AUDITOR OF THE DEPARTMENT OF TRANSPORTATION ON JUNE 30, 2016, SHALL CONTINUE TO SERVE UNTIL THE STATE AUDITOR EMPLOYS A SUCCESSOR. NOTHING IN THIS SECTION SHALL PREVENT THE STATE AUDITOR FROM RETAINING THE CHIEF INTERNAL AUDITOR OF THE DEPARTMENT OF TRANSPORTATION AS OF JUNE 30, 2016, PURSUANT TO THE PROVISIONS OF THIS SECTION.**

**SECTION \_\_\_\_ . SECTION 57-1-490 OF THE 1976 CODE, AS AMENDED BY ACT 114 OF 2007, IS FURTHER AMENDED TO READ:**

**“SECTION 57-1-490. (A) THE DEPARTMENT SHALL BE AUDITED BY A CERTIFIED PUBLIC ACCOUNTANT OR FIRM OF CERTIFIED PUBLIC ACCOUNTANTS ONCE EACH YEAR TO BE DESIGNATED BY THE STATE AUDITOR. THE DESIGNATED ACCOUNTANT OR FIRM OF ACCOUNTANTS SHALL ISSUE AUDITED FINANCIAL STATEMENTS IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, AND SUCH FINANCIAL STATEMENTS ~~SHALL~~ MUST BE MADE AVAILABLE ANNUALLY BY OCTOBER FIFTEENTH TO THE GENERAL ASSEMBLY. THE COSTS AND EXPENSES OF THE AUDIT MUST BE PAID BY THE DEPARTMENT OUT OF ITS FUNDS.**

**(B) THE MATERIALS MANAGEMENT OFFICE OF THE ~~DEPARTMENT OF ADMINISTRATION~~ STATE FISCAL ACCOUNTABILITY AUTHORITY ANNUALLY MUST AUDIT THE DEPARTMENT'S INTERNAL PROCUREMENT OPERATION TO ENSURE THAT THE DEPARTMENT HAS ACTED PROPERLY WITH REGARD TO THE DEPARTMENT'S EXEMPTIONS CONTAINED IN SECTION 11-35-710. THE AUDIT MUST BE PERFORMED IN ACCORDANCE WITH APPLICABLE STATE LAW, INCLUDING, BUT NOT LIMITED TO, ADMINISTRATIVE PENALTIES FOR VIOLATIONS FOUND AS A RESULT OF THE AUDIT. THE RESULTS OF THE AUDIT MUST BE MADE AVAILABLE BY OCTOBER FIFTEENTH TO THE DEPARTMENT OF TRANSPORTATION COMMISSION, THE ~~DEPARTMENT OF THE TRANSPORTATION'S CHIEF INTERNAL AUDITOR~~ STATE AUDITOR, THE GOVERNOR, THE CHAIRMEN OF THE SENATE FINANCE AND TRANSPORTATION COMMITTEES, AND**

**THE CHAIRMEN OF THE HOUSE OF REPRESENTATIVES WAYS AND MEANS AND EDUCATION AND PUBLIC WORKS COMMITTEES. THE COSTS AND EXPENSES OF THE AUDIT MUST BE PAID BY THE DEPARTMENT OUT OF ITS FUNDS.**

**(C) THE LEGISLATIVE AUDIT COUNCIL SHALL CONTRACT FOR AN INDEPENDENT PERFORMANCE AND COMPLIANCE AUDIT OF THE DEPARTMENT'S FINANCE AND ADMINISTRATION DIVISION, MASS TRANSIT DIVISION, AND CONSTRUCTION ENGINEERING AND PLANNING DIVISION. THIS AUDIT MUST BE COMPLETED BY JANUARY 15, 2010. THE LEGISLATIVE AUDIT COUNCIL MAY CONTRACT FOR FOLLOW-UP AUDITS OR CONDUCT FOLLOW-UP AUDITS AS NEEDED BASED UPON THE AUDIT'S INITIAL FINDINGS. THE COSTS OF THESE AUDITS, INCLUDING RELATED ADMINISTRATIVE AND MANAGEMENT EXPENSES OF THE LEGISLATIVE AUDIT COUNCIL, ARE AN OPERATING EXPENSE OF THE DEPARTMENT. THE DEPARTMENT SHALL PAY DIRECTLY TO THE LEGISLATIVE AUDIT COUNCIL THE COST OF THE AUDITS.**

**(D) COPIES OF EVERY AUDIT CONDUCTED PURSUANT TO THIS SECTION MUST BE MADE AVAILABLE TO THE DEPARTMENT OF TRANSPORTATION COMMISSION, THE ~~DEPARTMENT OF TRANSPORTATION CHIEF INTERNAL AUDITOR~~ STATE AUDITOR, THE GOVERNOR, THE CHAIRMEN OF THE SENATE FINANCE AND TRANSPORTATION COMMITTEES, AND THE CHAIRMEN OF THE HOUSE OF REPRESENTATIVES WAYS AND MEANS AND EDUCATION AND PUBLIC WORKS COMMITTEES.”**

**SECTION \_\_\_\_ . ARTICLE 7, CHAPTER 1, TITLE 57 OF THE 1976 CODE IS REPEALED.**

**SECTION \_\_\_\_ . SECTION 11-43-150 OF THE 1976 CODE IS AMENDED BY ADDING AN APPROPRIATELY LETTERED SUBSECTION AT THE END TO READ:**

**“( ) BEFORE PROVIDING A LOAN OR OTHER FINANCIAL ASSISTANCE TO A QUALIFIED BORROWER ON A QUALIFIED PROJECT, THE BOARD OF DIRECTORS MUST SUBMIT THE DECISION TO THE DEPARTMENT OF TRANSPORTATION COMMISSION FOR ITS CONSIDERATION. THE DEPARTMENT OF TRANSPORTATION COMMISSION CAN APPROVE OR REJECT THE BOARD OF DIRECTORS’ DECISIONS OR REQUEST ADDITIONAL INFORMATION FROM THE BOARD OF DIRECTORS. THIS REQUIREMENT DOES NOT APPLY TO DECISIONS BY THE BOARD THAT RELATE TO ANY PAYMENT OR CONTRACTUAL OBLIGATIONS THAT THE DEPARTMENT OF TRANSPORTATION HAS TO THE BANK THAT ARE PLEDGED TO ANY BONDS ISSUED BY THE BANK.”**

**SECTION \_\_\_\_.** A. SECTION 11-43-180 OF THE 1976 CODE IS AMENDED BY ADDING AN APPROPRIATELY LETTERED SUBSECTION TO READ:

**“( ) THE BANK MAY NOT PROVIDE ANY LOANS OR OTHER FINANCIAL ASSISTANCE, INCLUDING BOND PROCEEDS, TO ANY PROJECT UNLESS THE ELIGIBLE COSTS OF THE PROJECT ARE AT LEAST TWENTY-FIVE MILLION DOLLARS.”**

**B. THIS SECTION TAKES EFFECT UPON APPROVAL BY THE GOVERNOR AND ONLY APPLIES TO PROJECTS SELECTED BY THE BANK THEREAFTER.**

**SECTION \_\_\_\_.** A. ARTICLE 1, CHAPTER 43, TITLE 11 OF THE 1976 CODE IS AMENDED BY ADDING:

**“SECTION 11-43-265. (A) NOTWITHSTANDING ANY OTHER PROVISION OF LAW AND SUBJECT TO THE PROVISIONS OF SUBSECTION (B), THE BANK MUST PRIORITIZE ALL PROJECTS IN ACCORDANCE WITH THE PRIORITIZATION CRITERIA PROVIDED IN SECTION 57-1-370(B)(8).**



**(B) THE GENERAL ASSEMBLY MAY ENACT A JOINT RESOLUTION ALLOWING THE BANK TO FUND A PROJECT WITHOUT USING THE PRIORITIZATION CRITERIA PROVIDED IN SUBSECTION (A). THE JOINT RESOLUTION MUST BE SPECIFIC AS TO THE PROJECT AND THE AMOUNT AUTHORIZED TO BE FUNDED.”**

**B. THIS SECTION TAKES EFFECT UPON APPROVAL BY THE GOVERNOR AND ONLY APPLIES TO PROJECTS SELECTED BY THE BANK THEREAFTER.**

**SECTION \_\_\_\_.** A. ARTICLE 1, CHAPTER 1, TITLE 56 OF THE 1976 CODE IS AMENDED BY ADDING:

**“SECTION 56-1-560. (A) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, ANY FEE OR FINE COLLECTED BY THE DEPARTMENT OF MOTOR VEHICLES TO BE USED BY THE DEPARTMENT FOR ITS OPERATIONS, INSTEAD MUST BE CREDITED TO THE STATE HIGHWAY FUND AS ESTABLISHED BY SECTION 57-11-20. THE DEPARTMENT OF MOTOR VEHICLES MAY NOT EXPEND ANY OF THE COLLECTIONS.**

**(B) THE PROVISIONS OF THIS SECTION SUPERSEDE ANY OTHER PROVISION OF LAW TO THE CONTRARY. ANY CODE REFERENCE TO THE COLLECTIONS DESCRIBED IN SUBSECTION (A) CONTAINED WITHIN THE 1976 CODE OR OTHER PROVISIONS OF LAW ARE CONSIDERED TO BE AND MUST BE CONSTRUED TO BE CREDITED TO THE STATE HIGHWAY FUND INSTEAD.”**

**B. ON OR BEFORE JANUARY 15, 2017, THE CODE COMMISSIONER SHALL PREPARE AND DELIVER A REPORT TO THE PRESIDENT PRO TEMPORE OF THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES CONCERNING APPROPRIATE AND CONFORMING CHANGES TO THE 1976 CODE OF LAWS REFLECTING THE PROVISIONS OF SECTION 56-1-560.**

**SECTION \_\_\_\_.** IF ANY SECTION, SUBSECTION, PARAGRAPH, SUBPARAGRAPH, SENTENCE, CLAUSE, PHRASE, OR WORD OF THIS ACT IS FOR ANY REASON HELD TO BE UNCONSTITUTIONAL OR INVALID, SUCH HOLDING SHALL NOT AFFECT THE CONSTITUTIONALITY OR VALIDITY OF THE REMAINING PORTIONS OF THIS ACT, THE GENERAL ASSEMBLY HEREBY DECLARING THAT IT WOULD HAVE PASSED THIS ACT, AND EACH AND EVERY SECTION, SUBSECTION, PARAGRAPH, SUBPARAGRAPH, SENTENCE, CLAUSE, PHRASE, AND WORD THEREOF, IRRESPECTIVE OF THE FACT THAT ANY ONE OR MORE OTHER SECTIONS, SUBSECTIONS, PARAGRAPHS, SUBPARAGRAPHS, SENTENCES, CLAUSES, PHRASES, OR WORDS HEREOF MAY BE DECLARED TO BE UNCONSTITUTIONAL, INVALID, OR OTHERWISE INEFFECTIVE. /

**RENUMBER SECTIONS TO CONFORM.**  
**AMEND TITLE TO CONFORM.**



South Carolina  
Department of Transportation

**CONGESTION:** The 10 year congestion needs are significant. Below is a table that outlines the forecasted segments of the Interstate system that are projected to be significantly or severely congested over the next 10 years, along with a planning level cost estimate.

### 10 Year Interstate Congestion Forecast Needs

**\$2 Billion  
in projects**

Interstate	County	Location	Length	Planning Estimate
I-26/20/126	Richland/Lexington	Malfunction Junction		\$ 1,200,000,000
I-85	Cherokee	Phase 3: SC 18 to US 29	10 miles	\$ 170,000,000
I-85	Greenville/Spartanburg	SC 14 to SC 129	12.4 miles	\$ 270,000,000
I-526	Charleston	Clements Ferry to Long Point	3 miles	\$ 75,000,000
I-26	Spartanburg	US 176 to SC 296	8.02 miles	\$ 70,150,000
I-20	Aiken	GA Line to US 25	5.02 miles	\$ 52,270,000
I-26	Berkeley/Dorchester	US 17A to SC 27	11.66 miles	\$ 132,210,000
I-85	Spartanburg	SC 85 to 85 Business Loop	8.75 miles	Minimal Work
I-85	Anderson/Greenville	SC 153 to US 25	3 miles	\$ 30,000,000
I-26	Charleston	17A to US 52 Connector	9.05 miles	\$ 181,000,000
I-85	Oconee/Anderson	GA Line to US 76	19.44 miles	\$ 214,820,000
I-95	Dorchester/Orangburg	US 178 to 26	3.51 miles	\$ 25,870,000
I-77	Richland	SC 35 to 20	14.22 miles	\$ 284,400,000
I-20	Aiken	US 25 to S-144	6.2 miles	\$ 43,750,000
I-95	Jasper	US 278 to US 17	12.34 miles	\$ 91,050,000
I-77	Richland/Fairfield	US 21 to S-41	16.72 miles	\$ 114,970,000
I-26	Spartanburg	SC 296 to US 221	6.06 miles	\$ 45,200,000
				\$ 3,000,690,000

In order to minimize continued cost escalation, the agency administration recommends that the projects initiated within the ACT 98 Interstate Widening Program from 2013 be completed and advanced as soon as they are ready to move into the construction or design-build phase. For example, the I-85 Phase 3 in Cherokee will be poised and ready to advance in 2018 and the I-26/20/126 Interchange project is forecasted to be ready to advance to construction (in-phases) beginning in 2019.

SCDOT is frequently asked about the estimated cost to widen certain segments of the Interstate system. Below is a table of those frequently asked segments along with a planning level estimate.

#### Estimates for Major Corridor Widenings

I-26	Berkeley/Dorchester/Orangeburg /Calhoun/Lexington	From Mile Marker 187 north to tie to widening project just south of Columbia	61 miles	\$ 832,000,000
I-26	Calhoun/Lexington/Orangeburg	From I-95 north to tie to widening project just south of Columbia	43.84 miles	\$ 508,020,000
I-77	Fairfield/Chester/York	SC 200 to US 21	28.84 miles	\$ 204,380,000
I-95	Jasper	GA Line to US 278	20.74 miles	\$ 189,230,000





**SOUTH CAROLINA  
REVENUE AND FISCAL AFFAIRS OFFICE**

CHAD WALLDORF, Chairman  
HOWELL CLYBORNE, JR.  
EMERSON F. GOWER, JR.

FRANK A. RAINWATER  
Executive Director

May 17, 2016

Mr. Ryan Burnaugh  
Budget Analyst  
House Ways and Means Committee  
525 Blatt Building  
Columbia, SC 29201

Dear Mr. Burnaugh:

This letter is in response to your request for the estimated fee and fine revenue generated by the Department of Motor Vehicles. Attached is a chart outlining the total estimated revenue generated by the department, the estimated revenue impacted from the House amendment, and the estimated revenue impacted from Senate bill 1258 for FY 2015-16.

If we may be of further assistance, please advise.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank A. Rainwater". The signature is stylized and cursive.

Frank A. Rainwater  
Executive Director

FAR/cjd  
Attachment: 1

# Department of Motor Vehicle Estimated Revenue for FY 2015-16

	Total Revenue Generated		
	by DMV	Impacted Revenue From the House Amendment	Impacted Revenue from Senate Bill 1258
Motor Vehicle Title Fees	\$12,265,765	\$12,265,765	\$12,265,765
Driver's License Fees	\$4,529,066	\$4,529,066	\$4,529,066
Penalties	\$8,517,516	\$8,517,516	\$8,517,516
Sale of Information (Motor Vehicle Reports Only)	\$13,552,104	\$13,552,104	\$13,552,104
Financial Responsibility	\$12,608,198	\$12,608,198	\$12,608,198
Financial Responsibility	\$20,650,366	\$20,650,366	\$20,650,366
Motor Vehicle License CDL Fees	\$60,473	\$60,473	\$60,473
Other Fee and Fine Revenue	\$12,028,108	\$12,028,108	\$0
Plate Replacement Revenue	\$3,741,705	\$0	\$0
<b>Total:</b>	<b>\$87,953,301</b>	<b>\$84,211,596</b>	<b>\$72,183,488</b>



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
 (803)734-0640 • RFA.SC.GOV/IMPACTS

**Bill Number:** S. 1258  
**Author:** Senate Finance Committee  
**Subject:** S.C. Transportation Infrastructure Bank  
**Requestor:** Senate  
**RFA Analyst(s):** Dunbar  
**Impact Date:** April 22, 2016

**Estimate of Fiscal Impact**

	FY 2016-17	FY 2017-18
<b>State Expenditure</b>		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00
<b>State Revenue</b>		
General Fund	(\$65,680,000)	\$0
Other and Federal	\$65,680,000	\$0
<b>Local Expenditure</b>	\$0	\$0
<b>Local Revenue</b>	\$0	\$0

**Fiscal Impact Summary**

This bill would reduce fees and fines revenue from the Department of Motor Vehicles by an estimated \$71,750,000 to be distributed to the Department of Transportation's State Highway Fund. General Fund sales and use tax revenue and the State Non-Federal Aid Highway Fund will be reduced by an estimated \$65,680,000 to be distributed to the Department of Transportation's State Highway Fund. Other Funds of the Department of Transportation will increase by a total of \$203,110,000 in FY 2016-17. There will be no impact to Federal Funds from this bill.

**Explanation of Fiscal Impact**

**State Expenditure**

**The Department of Transportation.** The Department indicates that this bill would have no expenditure impact to the General Fund, Federal Funds, or Other Funds.

**State Revenue**

This bill amends Sections 56-19-520(A)(4), 56-19-420(C), 56-1-550, 56-1-200, 56-1-170(B)(3), 56-1-740(B)(3), 56-5-750(G)(3), 56-1-460(A)(1)(e)(iii), 56-1-286(K)(1), 56-5-2951(B)(1), 56-5-2951(H)(3), 56-1-746(D)(3), 56-1-2080, 56-1-400(A), 56-1-390(2), 56-3-355, 56-3-1335, 12-37-2740(D), and 56-9-330 of the South Carolina Code so that the revenue generated from various operating fees and fines collected by the Department of Motor Vehicles be reallocated to the State Highway Fund of the Department of Transportation. Based upon a preliminary analysis of data from the Department of Motor Vehicles, revenues generated relating to these operating fees and fines were \$37,766,607 in FY 2014-15. This portion of the bill would reduce the

Department of Motor Vehicles fees and fines revenue by an estimated \$38,750,000 and generate a corresponding \$38,750,000 revenue increase to the State Highway Fund in FY 2016-17.

This bill also amends Sections 56-10-240(C), 56-10-245, 38-73-470, and 56-10-552 of the South Carolina Code so that the revenue generated from uninsured motorist fees and fines collected by the Department of Motor Vehicles be reallocated to the State Highway Fund of the Department of Transportation. Based upon a preliminary analysis of data from the Department of Motor Vehicles, revenues generated relating to the uninsured motorist fees and fines were \$31,286,016 in FY 2014-15. This portion of the bill would reduce the Department of Motor Vehicles fees and fines revenue by an estimated \$33,000,000 and generate a corresponding \$33,000,000 revenue increase to the State Highway Fund in FY 2016-17.

Currently, Act 98 of 2013 allows fifty percent of the revenues derived from the sale of motor vehicles pursuant to Sections 12-36-2620(1) and 12-36-2640(1) to be redirected from the state public school building fund and credited to the State Non-Federal Aid Highway Fund. This transfer only affects the four percent component of the sales and use tax credited to the General Fund and does not affect EIA Fund revenue collections. According to the Department of Revenue, this transfer amounted to a reduction in General Fund sales and use tax revenue of \$60,947,394 and a concomitant increase in State Highway Fund revenue in FY 2014-15.

This section would amend Section 12-36-2647 to credit the remaining fifty percent of the revenues derived from the sale of motor vehicles pursuant to Sections 12-36-2620(1) and 12-36-2640(1) to the State Highway Fund. Again, this transfer only affects the four percent component of the sales and use tax and does not affect the one percent for EIA. Based upon the latest data on motor vehicle sales, the Board of Economic Advisors' maximum sales and use tax cap model suggests motor vehicle sales and use tax revenue of an estimated \$164,200,000 in FY 2016-17.

Under current law, \$65,680,000 is expected to be transferred to the Department of Transportation for the State Non-Federal Aid Highway Fund, \$65,680,000 is expected for deposit to the General Fund, and \$32,840,000 is to be credited to the Education Improvement Act Fund. Pursuant to this bill, the General Fund allocation of \$65,680,000 would be transferred to the State Highway Fund in addition to the current allocation of \$65,680,000 for a total of \$131,360,000. The Department of Transportation shall transfer an amount equal to the revenue credited to the State Highway Fund pursuant to 12-36-2647(A), or \$131,360,000, to the South Carolina Transportation Infrastructure Bank. The first \$50,000,000 transferred to the bank shall be used to finance bridge replacement, rehabilitation projects, and expansion and improvements on existing roads in the State Highway System. Any funds in excess of \$50,000,000 transferred to the bank shall be used to finance expansion and improvements to existing mainline interstates.

This bill takes effect July 1, 2016.

#### **Local Expenditure and Revenue**

N/A



Frank A. Rainwater, Executive Director

1 ~~Indicates Matter Stricken~~

2 Indicates New Matter

3

4 INTRODUCED

5 April 20, 2016

6

**S. 1258**

7

8

Introduced by Finance Committee

9

10 S. Printed 4/20/16--S.

[SEC 4/21/16 4:39 PM]

11 Read the first time April 20, 2016.

12

13

[1258-1]



1  
2  
3  
4  
5  
6  
7  
8  
9

**A BILL**

10

11 TO AMEND CHAPTER 43, TITLE 11 OF THE 1976 CODE,  
12 RELATING TO THE SOUTH CAROLINA TRANSPORTATION  
13 INFRASTRUCTURE BANK, TO PROVIDE FOR THE  
14 DISTRIBUTION BY THE DEPARTMENT OF  
15 TRANSPORTATION AND THE SOUTH CAROLINA  
16 TRANSPORTATION INFRASTRUCTURE BANK OF  
17 CERTAIN FEES AND FINES COLLECTED BY THE  
18 DEPARTMENT OF MOTOR VEHICLES TRANSFERRED TO  
19 THE STATE HIGHWAY FUND; TO AMEND SECTIONS  
20 12-37-2740(D), 38-73-470, 56-1-170(B)(3), 56-1-200,  
21 56-1-286(K)(1), 56-1-390(2), 56-1-400(A), 56-1-460(A)(1)(e)(iii),  
22 56-1-550, 56-1-740(B)(3), 56-1-746(D)(3), 56-1-2080, 56-3-355,  
23 56-3-1335, 56-5-750(G)(3), 56-5-2951(B)(1), 56-5-2951(H)(3),  
24 56-9-330, 56-10-240(C), 56-10-245, 56-10-552, 56-19-420(C),  
25 AND 56-19-520(A)(4), ALL OF THE 1976 CODE, ALL  
26 RELATING TO FEES OR FINES COLLECTED BY THE  
27 DEPARTMENT OF MOTOR VEHICLES, TO PROVIDE THAT  
28 ALL OR A PORTION OF THE FEES SHALL BE CREDITED TO  
29 THE STATE HIGHWAY FUND, AND TO PROVIDE FOR THE  
30 DISTRIBUTION OF THOSE FUNDS BY THE DEPARTMENT  
31 OF TRANSPORTATION AND THE SOUTH CAROLINA  
32 TRANSPORTATION INFRASTRUCTURE BANK; TO AMEND  
33 SECTION 12-36-2647 OF THE 1976 CODE, AS ENACTED IN  
34 ACT 98 OF 2013 AND RELATED TO SOURCES OF REVENUE  
35 USED FOR HIGHWAY CONSTRUCTION AND  
36 MAINTENANCE, TO PROVIDE THAT THE REVENUES OF  
37 SALES, USE, AND CASUAL EXCISE TAXES DERIVED  
38 PURSUANT TO SECTIONS 12-36-2620(1) AND 12-36-2640(1)  
39 ON THE SALE, USE, OR TITLING OF A MOTOR VEHICLE  
40 MUST BE CREDITED TO THE STATE HIGHWAY FUND, AND  
41 TO PROVIDE FOR THE DISTRIBUTION OF THOSE FUNDS  
42 BY THE DEPARTMENT OF TRANSPORTATION AND THE

1 SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE  
2 BANK.

3  
4 Be it enacted by the General Assembly of the State of South  
5 Carolina:

6  
7 SECTION 1. Chapter 43, Title 11 of the 1976 Code is amended by  
8 adding:

9  
10 “Section 11-43-167. (A) The fees and fines collected pursuant  
11 to Sections 12-37-2740(D), 38-73-470, 56-1-170(B)(3), 56-1-200,  
12 56-1-286(K)(1), 56-1-390(2), 56-1-400(A), 56-1-460(A)(1)(E)(III),  
13 56-1-550, 56-1-740(B)(3), 56-1-746(D)(3), 56-1-2080, 56-3-355,  
14 56-3-1335, 56-5-750(G)(3), 56-5-2951(B)(1), 56-5-2951(H)(3),  
15 56-9-330, 56-10-240(C), 56-10-245, 56-10-552, 56-19-420(C), and  
16 56-19-520(A)(4) must be credited to the State Highway Fund as  
17 established by Section 57-11-20, to be distributed as provided in this  
18 section.

19 (B)(1) The Department of Transportation shall allocate the funds  
20 credited to the State Highway Fund pursuant to subsection (A) to  
21 the state funded resurfacing program. The Department of  
22 Transportation shall develop and implement a needs-based  
23 methodology to distribute revenue within the state funded  
24 resurfacing program, which shall include consideration on a county-  
25 by-county basis, to ensure that each county in the State is guaranteed  
26 funding for resurfacing.

27 (2) The Department of Transportation shall reduce the  
28 allocation to the state funded resurfacing program required in item  
29 (1) in proportion to the amounts transferred to the South Carolina  
30 Transportation Infrastructure Bank pursuant to subsection (C).

31 (C)(1) The Department of Transportation shall identify bridge  
32 and road projects to be financed utilizing non-tax revenue  
33 transferred to the bank by the Department of Transportation in an  
34 amount equal to the financing requirements related to projects  
35 selected pursuant to this section.

36 (2) Funds transferred to the bank pursuant to this section may  
37 not be used to finance projects approved by the bank before July 1,  
38 2013. The bank shall submit all projects proposed to be financed  
39 pursuant to subsection (B) to the Joint Bond Review Committee as  
40 provided in Section 11-43-180, prior to approving a project for  
41 financing.

42 (3) Following consideration by the Joint Bond Review  
43 Committee, the bank shall approve the projects to be financed. Upon

1 approval, the bank shall provide the Department of Transportation  
2 with written notice that identifies each project selected, the amount  
3 of non-tax revenue that must be transferred to the bank for financing  
4 each project, a schedule for the transfers, and any other information  
5 necessary to carrying out the financing of each project.

6 (4) Upon receipt of the notice provided in item (3), the  
7 Department of Transportation shall transfer non-tax revenue to the  
8 bank in the amounts and upon the schedule provided in the notice.  
9 The department shall take any other action identified in the notice  
10 that is necessary for financing each project.

11 (5) Projects financed utilizing funds transferred pursuant to  
12 this subsection shall not require a local match.

13 (D) The Secretary of Transportation shall apply funds  
14 supplanted by the operation of this section to prioritized bridge and  
15 resurfacing needs.”

16

17 SECTION 2. Section 12-37-2740(D) of the 1976 Code is amended  
18 to read:

19

20 “(D) Before the reinstatement of a driver’s license or vehicle  
21 registration suspended pursuant to this section, a fee of fifty dollars  
22 must be paid to the Department of Motor Vehicles. ~~The Department~~  
23 ~~of Motor Vehicles may retain revenues generated by payment of the~~  
24 ~~reinstatement fees pursuant to this section for use in defraying costs~~  
25 ~~associated with suspension and reinstatement actions pursuant to~~  
26 ~~this section. An amount equal to the actual departmental direct costs~~  
27 ~~related to suspension and reinstatement actions pursuant to this~~  
28 ~~section must be placed by the Comptroller General into the State~~  
29 ~~Highway Fund as established by Section 57-11-20, to be distributed~~  
30 ~~as provided in Section 11-43-167. Fees collected in excess of actual~~  
31 ~~departmental direct costs related to suspension and reinstatement~~  
32 ~~actions pursuant to this section must be deposited to the credit of the~~  
33 ~~general fund of the State at the end of each fiscal year.”~~

34

35 SECTION 3. Section 38-73-470 of the 1976 Code is amended to  
36 read:

37

38 “Section 38-73-470. Two dollars of the yearly premium for  
39 uninsured motorist coverage is directed to be paid to the South  
40 Carolina Department of Motor Vehicles to be allocated in the  
41 manner provided in Section 56-10-552 ~~placed on deposit with the~~  
42 ~~State Treasurer in the ‘Uninsured Enforcement Fund’, payable on a~~  
43 ~~quarterly basis, to provide for the costs of enforcing and~~

1 administering the provisions of Article 3, Chapter 10, Title 56. Of  
2 the two dollars collected, eighty cents must be distributed to the  
3 South Carolina Highway Patrol and one dollar twenty cents must be  
4 retained by the Department of Motor Vehicles. Interest earned by  
5 the 'Uninsured Fund' must be retained by that fund. There is no  
6 requirement for an insurer or an agent to offer underinsured motorist  
7 coverage at limits less than the statutorily required bodily injury or  
8 property damage limits.”

9  
10 SECTION 4. Section 56-1-170(B)(3) of the 1976 Code is amended  
11 to read:

12  
13 “(3) The fee for each special restricted driver’s license is one  
14 hundred dollars, but no additional fee is due because of changes in  
15 the place and hours of employment, education, or residence. Of this  
16 fee, twenty dollars must be distributed to the general fund and eighty  
17 dollars must be placed by the Comptroller General into a special  
18 restricted account to be used by the Department of Motor Vehicles  
19 to defray the expenses of the Department of Motor Vehicles the  
20 State Highway Fund as established by Section 57-11-20, to be  
21 distributed as provided in Section 11-43-167.”

22  
23 SECTION 5. Section 56-1-200 of the 1976 Code is amended to  
24 read:

25  
26 “Section 56-1-200. (A) If a driver’s license is lost or destroyed,  
27 the person to whom the license was issued, upon payment of a fee  
28 of ten dollars, may obtain a duplicate or substitution of it upon  
29 furnishing proof satisfactory to the Department of Motor Vehicles  
30 that the license has been lost or destroyed.

31 (B) Three dollars of the revenue from each fee collected pursuant  
32 to this section must be credited to the Department of Transportation  
33 State Non-Federal Aid Highway Fund based on the actual date of  
34 receipt by the Department of Motor Vehicles.

35 (C) The balance of the revenue from each fee must be deposited  
36 into a special earmarked account by the State Treasurer for the use  
37 of the Department of Motor Vehicles placed by the Comptroller  
38 General into the State Highway Fund as established by Section 57-  
39 11-20, to be distributed as provided in Section 11-43-167.”

40  
41 SECTION 6. Section 56-1-286(K)(1) of the 1976 Code is amended  
42 to read:

1 “(1) obtain a temporary alcohol license by filing with the  
2 Department of Motor Vehicles a form for this purpose. A one  
3 hundred dollar fee must be assessed for obtaining a temporary  
4 alcohol license. Twenty-five dollars of the fee collected by the  
5 Department of Motor Vehicles must be distributed to the  
6 Department of Public Safety for supplying and maintaining all  
7 necessary vehicle videotaping equipment. The remaining  
8 seventy-five dollars must be placed by the Comptroller General into  
9 ~~a special restricted account to be used by the Department of Motor~~  
10 ~~Vehicles to defray the Department of Motor Vehicle’s expenses~~ the  
11 State Highway Fund as established by Section 57-11-20, to be  
12 distributed as provided in Section 11-43-167. The temporary alcohol  
13 license allows the person to drive a motor vehicle without any  
14 restrictive conditions pending the outcome of the contested case  
15 hearing provided for in this section or the final decision or  
16 disposition of the matter; and”

17

18 SECTION 7. Section 56-1-390(2) of the 1976 Code is amended to  
19 read:

20

21 “(2) The fees collected by the Department of Motor Vehicles  
22 under this provision must be distributed as follows: seventy dollars  
23 must be placed by the Comptroller General into ~~a special restricted~~  
24 ~~account to be used by the Department of Motor Vehicles to defray~~  
25 ~~the expenses of the Department of Motor Vehicles~~ the State  
26 Highway Fund as established by Section 57-11-20, to be distributed  
27 as provided in Section 11-43-167 and one dollar must be credited to  
28 the ‘Keep South Carolina Beautiful Fund’ established pursuant to  
29 Section 56-3-3950. From the ‘Keep South Carolina Beautiful Fund’,  
30 the Department of Transportation shall expend funds necessary to  
31 employ, within the Department of Transportation, a person with  
32 training in horticulture to administer a program for beautifying the  
33 rights-of-way along state highways and roads. The remainder of the  
34 fees collected pursuant to this section must be credited to the  
35 Department of Transportation State Non-Federal Aid Highway  
36 Fund. ~~as provided in the following schedule based on the actual date~~  
37 ~~of receipt by the Department of Motor Vehicles:~~

38

39 Fees and Penalties	General Fund	Department of
40 Collected After	of the State	Transportation
41		State Non-Federal
42		Aid Highway Fund
43		

1	<del>June 30, 2005</del>	<del>60 percent</del>	<del>40 percent</del>
2	<del>June 30, 2006</del>	<del>20 percent</del>	<del>80 percent</del>
3	<del>June 30, 2007</del>	<del>0 percent</del>	<del>100 percent.</del> "

4  
5 SECTION 8. Section 56-1-400(A) of the 1976 Code is amended to  
6 read:

7  
8 "Section 56-1-400. (A) The Department of Motor Vehicles,  
9 upon suspending or revoking a license, shall require that the license  
10 be surrendered to the department. At the end of the suspension  
11 period, other than a suspension for reckless driving, driving under  
12 the influence of intoxicants, driving with an unlawful alcohol  
13 concentration, felony driving under the influence of intoxicants, or  
14 pursuant to the point system, the department shall issue a new  
15 license to the person. If the person has not held a license within the  
16 previous nine months, the department shall not issue or restore a  
17 license which has been suspended for reckless driving, driving  
18 under the influence of intoxicants, driving with an unlawful alcohol  
19 concentration, felony driving under the influence of intoxicants, or  
20 for violations under the point system, until the person has filed an  
21 application for a new license, submitted to an examination as upon  
22 an original application, and satisfied the department, after an  
23 investigation of the person's driving ability, that it would be safe to  
24 grant the person the privilege of driving a motor vehicle on the  
25 public highways. The department, in the department's discretion,  
26 where the suspension is for a violation under the point system, may  
27 waive the examination, application, and investigation. A record of  
28 the suspension must be endorsed on the license issued to the person,  
29 showing the grounds of the suspension. If a person is permitted to  
30 operate a motor vehicle only with an ignition interlock device  
31 installed pursuant to Section 56-5-2941, the restriction on the  
32 license issued to the person must conspicuously identify the person  
33 as a person who only may drive a motor vehicle with an ignition  
34 interlock device installed, and the restriction must be maintained on  
35 the license for the duration of the period for which the ignition  
36 interlock device must be maintained pursuant to Section 56-1-286,  
37 56-5-2945, and 56-5-2947 except if the conviction was for Sections  
38 56-5-750, 56-5-2951, or 56-5-2990. For purposes of Title 56, the  
39 license must be referred to as an ignition interlock restricted license.  
40 The fee for an ignition interlock restricted license is one hundred  
41 dollars, which shall be placed by the Comptroller General into a  
42 special restricted account the State Highway Fund as established by  
43 Section 57-11-20, to be distributed as provided in Section 11-43-

1 ~~167 by the Comptroller General to be used by the Department of~~  
2 ~~Motor Vehicles to defray the department's expenses.~~ Unless the  
3 person establishes that the person is entitled to the exemption set  
4 forth in subsection (B), no ignition interlock restricted license may  
5 be issued by the department without written notification from the  
6 authorized ignition interlock service provider that the ignition  
7 interlock device has been installed and confirmed to be in working  
8 order. If a person chooses to not have an ignition interlock device  
9 installed when required by law, the license will remain suspended  
10 indefinitely. If the person subsequently decides to have the ignition  
11 interlock device installed, the device must be installed for the length  
12 of time set forth in Sections 56-1-286, 56-5-2945, and 56-5-2947  
13 except if the conviction was for Section 56-5-750, 56-5-2951, or  
14 56-5-2990. This provision does not affect nor bar the reckoning of  
15 prior offenses for reckless driving and driving under the influence  
16 of intoxicating liquor or narcotic drugs, as provided in Article 23,  
17 Chapter 5 of this title.”

18  
19 SECTION 9. Section 56-1-460(A)(1)(e)(iii) of the 1976 Code is  
20 amended to read:

21  
22 “(iii) The fee for a route restricted driver’s license issued  
23 pursuant to this item is one hundred dollars, but no additional fee is  
24 due when changes occur in the place and hours of employment,  
25 education, or residence. Of this fee, eighty dollars must be placed  
26 by the Comptroller General into ~~a special restricted account to be~~  
27 ~~used by the Department of Motor Vehicles to defray the Department~~  
28 ~~of Motor Vehicles’ expenses~~ the State Highway Fund as established  
29 by Section 57-11-20, to be distributed as provided in Section 11-43-  
30 167. The remainder of the fees collected pursuant to this item must  
31 be credited to the Department of Transportation State Non-Federal  
32 Aid Highway Fund.”

33  
34 SECTION 10. Section 56-1-550 of the 1976 Code is amended to  
35 read:

36  
37 “Section 56-1-550. The Department of Motor Vehicles may  
38 collect a fee not to exceed twenty dollars per document to expedite  
39 a request for copies of documents and records it maintains. This fee  
40 is in addition to the normal fees associated with the request.  
41 Expedited requests must be available within seventy-two hours of  
42 receipt of the request and standard requests within thirty days.  
43 Nothing in this section may be construed as circumventing the

1 requirements of Section 30-4-30 of the Freedom of Information Act.  
2 The funds collected pursuant to this section must be placed by the  
3 Comptroller General into a ~~special restricted account~~ the State  
4 Highway Fund as established by Section 57-11-20, to be distributed  
5 as provided in Section 11-43-167 by the ~~Comptroller General~~ to be  
6 used by the Department of Motor Vehicles to defray expenses.”

7  
8 SECTION 11. Section 56-1-740(B)(3) of the 1976 Code is  
9 amended to read:

10  
11 “(3) The fee for each special restricted driver’s license is one  
12 hundred dollars, but no additional fee is due because of changes in  
13 the place and hours of employment, education, or residence. Of this  
14 fee, eighty dollars must be placed by the Comptroller General into a  
15 ~~special restricted account to be used by the Department of Motor~~  
16 ~~Vehicles to defray the expenses of the department~~ the State  
17 Highway Fund as established by Section 57-11-20, to be distributed  
18 as provided in Section 11-43-167. The remainder of the fees  
19 collected pursuant to this section must be credited to the Department  
20 of Transportation State Non-Federal Aid Highway Fund, as  
21 provided in the following schedule based on the actual date of  
22 receipt by the Department of Motor Vehicles:

23

24 Fees and Penalties	25 General Fund	26 Department of
27 Collected After	28 of the State	29 Transportation
		30 State Non-Federal
		31 Aid Highway
		32 Fund
33 June 30, 2005	34 60 Percent	35 40 Percent
36 June 30, 2006	37 20 Percent	38 80 Percent
39 June 30, 2007	40 0 Percent	41 100 Percent”

42  
43 SECTION 12. Section 56-1-746(D)(3) of the 1976 Code is  
amended to read:

37 “(3) The fee for a special restricted driver’s license is one  
38 hundred dollars, but no additional fee is due because of changes in  
39 the place and hours of employment, education, or residence. Twenty  
40 dollars of this fee must be deposited in the state general fund and  
41 eighty dollars must be placed by the Comptroller General into a  
42 ~~special restricted account to be used by the Department of Motor~~  
43 ~~Vehicles to defray the expenses of the Department of Motor~~



1 ~~Vehicles~~ the State Highway Fund as established by Section 57-11-  
2 20, to be distributed as provided in Section 11-43-167.”

3  
4 SECTION 13. Section 56-1-2080 of the 1976 Code is amended to  
5 read:

6  
7 “Section 56-1-2080. (A)(1) A person may not be issued a  
8 commercial driver’s license unless that person is a resident of this  
9 State and has passed a knowledge and skills test for driving a  
10 commercial motor vehicle which complies with the minimum  
11 federal standards established by 49 C.F.R. Part 383, subparts F, G,  
12 and H and has satisfied all other requirements of the CMVSA as  
13 well as any other requirements imposed by state law or federal  
14 regulation. The tests must be prescribed and conducted by the  
15 department. The first commercial driver’s license skills test  
16 administered by the department to an individual is free of charge;  
17 thereafter, the Department of Motor Vehicles is authorized to charge  
18 a fee of twenty-five dollars for each subsequent commercial driver’s  
19 license skills test administered to that individual. State agency and  
20 school district employees who are required to possess a commercial  
21 driver’s license in the course of their normal job duties are exempt  
22 from this requirement. This fee must be placed into ~~a special~~  
23 ~~restricted account~~ the State Highway Fund as established by Section  
24 57-11-20, to be distributed as provided in Section 11-43-167 by the  
25 ~~Comptroller General to be used by the Department of Motor~~  
26 ~~Vehicles to defray its expenses.”~~

27  
28 SECTION 14. Section 56-3-355 of the 1976 Code is amended to  
29 read:

30  
31 “Section 56-3-355. The Department of Motor Vehicles must  
32 suspend, revoke, or not issue a registration card and license plate to  
33 a person for a commercial motor vehicle greater than twenty-six  
34 thousand pounds which operates with an apportioned license plate  
35 if the commercial motor carrier who is responsible for the safety of  
36 the vehicle has been prohibited from operating by a federal agency.  
37 The registrant must promptly surrender to the department any item  
38 suspended or revoked under this section. If the registrant unlawfully  
39 refuses to surrender the suspended or revoked items as required  
40 under this section, the department, through its designated agents or  
41 by request to a county or municipal law enforcement agency, shall  
42 take possession of the suspended or revoked license plate and  
43 registration card. A registration card or license plate may not be

1 reissued for that vehicle until the motor carrier has been allowed to  
2 operate by a federal agency or the vehicle is properly transferred to  
3 a motor carrier that is not prohibited from operating by a federal  
4 agency. Before a suspended vehicle registration card can be  
5 reinstated, a fee of fifty dollars for each registration card suspension  
6 must be paid to the department. The fifty dollar fee must be placed  
7 in ~~a special restricted account~~ the State Highway Fund as established  
8 by Section 57-11-20, to be distributed as provided in Section 11-43-  
9 167 by the Comptroller General ~~to be used by the department to~~  
10 ~~offset the expenses of administering the Performance and~~  
11 ~~Registration Information Systems Management Program.”~~

12  
13 SECTION 15. Section 56-3-1335 of the 1976 Code is amended to  
14 read:

15  
16 “Section 56-3-1335. The Department of Motor Vehicles shall  
17 suspend a motor vehicle’s current registration and shall not register  
18 or reregister a motor vehicle that was operated when its driver failed  
19 to pay a toll and whose owner has an outstanding judgment for  
20 failure to pay a toll pursuant to Section 57-5-1495(E) entered against  
21 him. The suspension or denial of registration or reregistration shall  
22 remain in effect until the judgment is satisfied, evidence of the  
23 satisfaction has been provided to the Department of Motor Vehicles,  
24 and a reinstatement fee of fifty dollars has been paid. The  
25 reinstatement fee collected must be placed by the Comptroller  
26 General into ~~a special restricted account to be used by the~~  
27 ~~Department of Motor Vehicles to defray the costs associated with~~  
28 ~~this section~~ the State Highway Fund as established by Section 57-  
29 11-20, to be distributed as provided in Section 11-43-167.”

30  
31 SECTION 16. Section 56-5-750(G)(3) of the 1976 Code is  
32 amended to read:

33  
34 “(3) The fee for each special restricted driver’s license is one  
35 hundred dollars, but no additional fee is due because of changes in  
36 the place and hours of employment, education, or residence. Of this  
37 fee twenty dollars must be distributed to the general fund and eighty  
38 dollars must be placed by the Comptroller General into ~~a special~~  
39 ~~restricted account to be used by the Department of Motor Vehicles~~  
40 ~~to defray the expenses of the Department of Motor Vehicles~~ the  
41 State Highway Fund as established by Section 57-11-20, to be  
42 distributed as provided in Section 11-43-167.”

1 SECTION 17. Section 56-5-2951(B)(1) of the 1976 Code is  
2 amended to read:

3

4 “(B) Within thirty days of the issuance of the notice of  
5 suspension, the person may:

6 (1) obtain a temporary alcohol license from the Department  
7 of Motor Vehicles. A one hundred dollar fee must be assessed for  
8 obtaining a temporary alcohol license. Twenty-five dollars of the fee  
9 must be distributed by the Department of Motor Vehicles to the  
10 Department of Public Safety for supplying and maintaining all  
11 necessary vehicle videotaping equipment. The remaining  
12 seventy-five dollars must be placed by the Comptroller General into  
13 ~~a special restricted account to be used by the Department of Motor~~  
14 ~~Vehicles to defray the Department of Motor Vehicles’ expenses the~~  
15 State Highway Fund as established by Section 57-11-20, to be  
16 distributed as provided in Section 11-43-167. The temporary alcohol  
17 license allows the person to drive without any restrictive conditions  
18 pending the outcome of the contested case hearing provided for in  
19 subsection (F) or the final decision or disposition of the matter. If  
20 the suspension is upheld at the contested case hearing, the temporary  
21 alcohol license remains in effect until the Office of Motor Vehicle  
22 Hearings issues the hearing officer’s decision and the Department  
23 of Motor Vehicles sends notice to the person that the person is  
24 eligible to receive a restricted license pursuant to subsection (H);  
25 and”

26

27 SECTION 18. Section 56-5-2951(H)(3) of the 1976 Code is  
28 amended to read:

29

30 “(3) The fee for a restricted license is one hundred dollars, but no  
31 additional fee may be charged because of changes in the place and  
32 hours of employment, education, or residence. Twenty dollars of  
33 this fee must be deposited in the state’s general fund, and eighty  
34 dollars must be placed by the Comptroller General into ~~a special~~  
35 ~~restricted account to be used by the Department of Motor Vehicles~~  
36 ~~to defray the Department of Motor Vehicles’ expenses the State~~  
37 Highway Fund as established by Section 57-11-20, to be distributed  
38 as provided in Section 11-43-167.”

39

40 SECTION 19. A. Section 56-9-330 of the 1976 Code is  
41 amended to read:

42

1 “Section 56-9-330. (1) The Department of Motor Vehicles,  
2 upon request, and the payment of a fee, shall furnish any person a  
3 certified abstract of the operating record of any person subject to the  
4 provisions of this chapter, which abstract must also fully designate  
5 the motor vehicles, if any, registered in the name of that person, and,  
6 if there is no record of any conviction of that person for violating  
7 any laws relating to the operation of a motor vehicle or of any injury  
8 or damage caused by that person, the department shall so certify.  
9 The department, upon request and the payment of a reasonable fee,  
10 shall furnish a monthly listing by magnetic or other electronic media  
11 of all driver’s license numbers that had driving violations posted on  
12 their records during the previous month. These abstracts are not  
13 admissible as evidence in any action for damages or criminal  
14 proceedings arising out of motor vehicle accidents.

15 (2) The department shall, upon request, and the payment of a fee  
16 furnish any person a copy of a vehicle accident report. Revenue  
17 generated by the fee imposed pursuant to this section must be placed  
18 by the Comptroller General into the State Highway Fund as  
19 established by Section 57-11-20, to be distributed as provided in  
20 Section 11-43-167.”

21  
22 B.If the provisions regarding distribution of the fee authorized in  
23 this SECTION conflict with the provisions for distribution  
24 contained in Proviso 82.4 included in the Fiscal Year 2016-2017  
25 General Appropriations Act, the provisions contained in this act  
26 shall control.

27  
28 SECTION 20. Section 56-10-240(C) of the 1976 Code is  
29 amended to read:

30  
31 “(C)If the vehicle owner unlawfully refuses to surrender the  
32 suspended items as required in this article, the department through  
33 its designated agents or by request to a county or municipal law  
34 enforcement agency shall take possession of the suspended license  
35 plates and registration certificates and may not reissue the  
36 registration until proper proof of liability insurance coverage is  
37 provided and until the owner has paid a reinstatement fee of two  
38 hundred dollars. A person who voluntarily surrenders his license  
39 plates and registration certificates before their suspension shall not  
40 be charged a reinstatement fee. Revenue generated by the fee  
41 imposed pursuant to this section must be placed by the Comptroller  
42 General into the State Highway Fund as established by Section 57-  
43 11-20, to be distributed as provided in Section 11-43-167.”

1

2 SECTION 21. Section 56-10-245 of the 1976 Code is amended to  
3 read:

4

5 “Section 56-10-245. Whenever a person furnishes proof of  
6 liability insurance, or surrenders or has his registration or license  
7 tags confiscated for failure to produce proof of insurance, after the  
8 Department of Motor Vehicles receives notice of the lapse or  
9 termination of the required liability insurance, the department shall  
10 compare the effective date of the lapse or termination with the date  
11 of the proof of insurance or the date of the confiscation or surrender.  
12 If the department determines there was a lapse in the required  
13 coverage, the department shall assess, in addition to other fines or  
14 penalties imposed by the law, a per diem fine in the amount of five  
15 dollars. ~~The department shall collect and keep this fine to defer the  
16 costs of the financial responsibility program.~~ The fine provided for  
17 in this section and the two hundred dollar reinstatement fee pursuant  
18 to Section 56-10-240 of the 1976 Code must not be assessed if the  
19 person furnishes proof, as documented by his sworn statement, that  
20 the motor vehicle upon which the coverage has lapsed or been  
21 terminated has not been operated upon the roads, streets, or  
22 highways of this State during the lapse or termination, and the lapse  
23 or termination is due to military service or illness as documented by  
24 a signed physician’s statement. The total amount of the fine  
25 provided for in this section may not exceed two hundred dollars for  
26 a first offense. Revenue generated by the fine imposed pursuant to  
27 this section must be placed by the Comptroller General into the State  
28 Highway Fund as established by Section 57-11-20, to be distributed  
29 as provided in Section 11-43-167.”

30

31 SECTION 22. Section 56-10-552 of the 1976 Code is amended to  
32 read:

33

34 “Section 56-10-552. (A) ~~All funds collected as provided in For~~  
35 each two dollars of the yearly premium for uninsured motorist  
36 coverage paid to the Department of Motor Vehicles pursuant to  
37 Section 38-73-470, must be directed to the Director of the  
38 Department of Motor Vehicles one dollar and twenty cents must be  
39 placed by the Comptroller General into the State Highway Fund as  
40 established by Section 57-11-20, to be distributed as provided in  
41 Section 11-43-167. The remaining eighty cents must be placed in  
42 for the establishment and maintenance of a special fund, to be  
43 known as the ‘Uninsured Enforcement Fund’, to be used by the

1 ~~Department of Motor Vehicles and the Department of Public Safety~~  
2 for the purpose of enforcement and administration of Article 3,  
3 Chapter 10, Title 56.

4 (B) Fifty percent of the reinstatement fee as provided by Section  
5 56-10-510(1) must be transferred by the Department of Public  
6 Safety and recorded to the Uninsured Enforcement Fund to be used  
7 by the Department of Public Safety as provided by subsection (A)  
8 of this section. The remaining fifty percent of the reinstatement fee  
9 as provided by Section 56-10-510 must be retained in the Uninsured  
10 Motorist Fund to be used as provided in Sections 56-10-550,  
11 38-77-151, and 38-77-154.”

12  
13 SECTION 23. Section 56-19-420(C) of the 1976 Code is  
14 amended to read:

15  
16 “(C) Notwithstanding any other provision of law, five dollars of  
17 the fee contained in this section must be placed in ~~a special~~  
18 ~~earmarked account~~ the State Highway Fund as established by  
19 Section 57-11-20, to be distributed as provided in Section 11-43-  
20 167 by the Comptroller General ~~and must be distributed to the~~  
21 ~~Department of Motor Vehicles and used to defray its operational~~  
22 ~~expenses excluding any expense relating to Project Phoenix.”~~

23  
24 SECTION 24. Section 56-19-520(A)(4) of the 1976 Code is  
25 amended to read:

26  
27 “(4) payment of a fee established by the department not to exceed  
28 fifty dollars for retirement of the title certificate and,  
29 notwithstanding any other provision of law, the fee collected by the  
30 department must be placed by the Comptroller General into the State  
31 Highway Fund as established by Section 57-11-20, to be distributed  
32 as provided in Section 11-43-167 ~~a special restricted account to be~~  
33 ~~used by the department to defray the expenses of the department in~~  
34 ~~administering this article.”~~

35  
36 SECTION 25. Section 12-36-2647 of the 1976 Code is amended  
37 to read:

38  
39 “Section 12-36-2647. (A) Notwithstanding the provisions of  
40 Section 59-21-1010, ~~fifty percent of~~ the revenues of sales, use, and  
41 casual excise taxes derived pursuant to Sections 12-36-2620(1) and  
42 12-36-2640(1) on the sale, use, or titling of a motor vehicle required  
43 to be licensed and registered by the South Carolina Department of

1 Motor Vehicles, otherwise required to be credited as provided  
2 pursuant to Section 59-21-1010, instead must be credited to the State  
3 ~~Non Federal Aid Highway Fund established pursuant to Section~~  
4 ~~57-11-20. Revenues credited to the State Non-Federal Aid Highway~~  
5 ~~Fund pursuant to this section must be used exclusively for highway,~~  
6 ~~road, and bridge maintenance, construction, and repair Highway~~  
7 ~~Fund as established by Section 57-11-20, to be distributed as~~  
8 ~~provided in this section.~~

9 (B)(1) The Department of Transportation shall allocate the funds  
10 credited to the State Highway Fund pursuant to subsection (A) to  
11 the state funded resurfacing program. The Department of  
12 Transportation shall develop and implement a needs-based  
13 methodology to distribute revenue within the state funded  
14 resurfacing program, which shall include consideration on a county-  
15 by-county basis, to ensure that each county in the State is guaranteed  
16 funding for resurfacing.

17 (2) The Department of Transportation shall reduce the  
18 allocation to the state funded resurfacing program required in item  
19 (1) in proportion to the amounts transferred to the South Carolina  
20 Transportation Infrastructure Bank pursuant to subsection (C).

21 (C)(1) The Department of Transportation shall identify bridge  
22 and road projects to be financed utilizing non-tax revenue  
23 transferred to the bank by the Department of Transportation in an  
24 amount equal to the financing requirements related to projects  
25 selected pursuant to this section, provided that:

26 (a) Fifty million dollars in revenue utilized by the bank  
27 shall be used to finance bridge replacement, rehabilitation projects,  
28 and expansion and improvements on existing roads in the State  
29 Highway System.

30 (b) Funds in excess of fifty million dollars utilized by the  
31 bank shall be used to finance expansion and improvements to  
32 existing mainline interstates.

33 (2) Funds transferred to the bank pursuant to this section may  
34 not be used to finance projects approved by the bank before July 1,  
35 2013. The bank shall submit all projects proposed to be financed  
36 pursuant to subsection (B) to the Joint Bond Review Committee as  
37 provided in Section 11-43-180, prior to approving a project for  
38 financing.

39 (3) Following consideration by the Joint Bond Review  
40 Committee, the bank shall approve the projects to be financed. Upon  
41 approval, the bank shall provide the Department of Transportation  
42 with written notice that identifies each project selected, the amount  
43 of non-tax revenue that must be transferred to the bank for financing

1 each project, a schedule for the transfers, and any other information  
2 necessary to carrying out the financing of each project.

3 (4) Upon receipt of the notice provided in item (3), the  
4 Department of Transportation shall transfer non-tax revenue to the  
5 bank in the amounts and upon the schedule provided in the notice.  
6 The department shall take any other action identified in the notice  
7 that is necessary for financing each project.

8 (5) Projects financed utilizing funds transferred pursuant to  
9 this subsection shall not require a local match.

10 (D) The Secretary of Transportation shall apply funds  
11 supplanted by the operation of this section to prioritized bridge and  
12 resurfacing needs.”

13

14 SECTION 26. This act takes effect July 1, 2016.

15

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16