~~Indicates Matter Stricken~~

Indicates New Matter

AMENDED

April 29, 2009

**H. 3134**

Introduced by Reps. Bowers and Long

S. Printed 4/29/09--H.

Read the first time January 13, 2009.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**REVENUE IMPACT** 1/

This bill, as amended, is expected to reduce Motor Vehicle License revenue within the state’s general fund by $618. It also would reduce earmarked funds of the DMV applicable to recoupment of production costs by $282 in FY 2009-10. This loss in DMV earmarked funds offsets revenue losses in FY 2009-10 for the State Highway Fund (SHF) within DOT of $197, and restricted funds of the State Transportation Infrastructure Bank (SIB) of $85 that were allowable in the original bill, since DMV could not recover such costs from regular biennial registration fees.

**Explanation of Amendment (April 23, 2009) by House E&PW:**

The bill, as amended, eliminates language in a ‘notwithstanding clause’ that would have held harmless DMV’s ability to recoup production cost to issue a Gold Star Family special license plate from the regular biennial registration fee. As such, we estimate earmarked funds of the DMV would be reduced by $282 in FY 2009-10 based on issuance of thirty new plates at a cost basis of $9.39 per plate. This loss in earmarked funds by the DMV offsets respective losses in the original bill of $197, for the SHF, and $85 for the SIB.

**Explanation for Revenue Impact Statement by BEA (March 4, 2009):**

The DMV may issue ‘Gold Star Family’ special license plates in this State to family members of military personnel who were killed in action or while in service as verified at application by a United States Department of Defense document. This bill would waive the ‘special’ fee of $30 that applies to each plate under Section 56-3-2020 but otherwise sustain recovery of plate production costs by the DMV. Of this $30 special plate fee, $9.39 is currently prorated to earmarked funds of the DMV, as recovery of production cost per new plate, and the balance of $20.61 is allocated to Motor Vehicle License revenue within the state’s general fund. The bill would affect revenue distributions otherwise applicable to the ‘regular’ registration fee portion of the total plate cost, at $24 per auto or $30 per light-duty truck, since the DMV would recoup its costs from this source.

Based on records maintained by the DMV, we expect no more than thirty, new ‘Gold Star Family’ plates (prorated as 21 autos and 9 trucks) would be issued in FY 2009-10. Multiplying 30 times $30 yields $900. This bill would therefore reduce collections from the special plate fee in FY 2009-10 by $900 overall. By removing this revenue source, Motor Vehicle License revenue within the state’s general fund would be reduced by $618.30, and earmarked funds within the DMV would otherwise be reduced by $281.70. A notwithstanding clause would, however, enable the DMV to still recoup that production cost (at $9.39 per plate) from ‘Regular’ registration fees as follows: SHF: loss of $197.19 (21 autos times $9.39); SIB: loss of $84.51 (9 trucks times $9.39).

*Approved By:*

William C. Gillespie

Board of Economic Advisors

1/ This statement meets the requirement of Section 2-7-71 for a state revenue impact by the BEA, or Section 2-7-76 for a local revenue impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.

**A** **BILL**

TO AMEND SECTION 56‑3‑9910, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE ISSUANCE OF GOLD STAR FAMILY SPECIAL LICENSE PLATES, SO AS TO REDUCE THE FEE FOR THIS SPECIAL LICENSE PLATE.

Amend Title To Conform

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

SECTION 1. Section 56‑3‑9910 of the 1976 Code, as last amended by Act 347 of 2008, is further amended to read:

“Section 56‑3‑9910. (A) The Department of Motor Vehicles may issue ‘Gold Star Family’ special license plates to owners of private passenger motor vehicles as defined in Section 56‑3‑630 registered in ~~their~~ the names of members of the immediate family of United States armed forces members killed in action. The fee for this special license plate ~~must be~~ is the regular motor vehicle license fee contained in Article 5, Chapter 3 of this title. ~~and the~~ The special fee required by Section 56‑3‑2020 is waived. The license plates issued pursuant to this section must conform to a design agreed to by the department and the chief executive officer of the South Carolina Chapter of American Gold Star Mothers, Inc. or other similar organization operating in this State. ~~Notwithstanding any other provision of law, of the fees collected for the special license plate, the Comptroller General shall place sufficient funds into a special restricted account to be used by the Department of Motor Vehicles to defray the expenses of the Department of Motor Vehicles in producing and administering the special plate.~~

(B) Notwithstanding another provision of law, the provisions contained in Section 56‑3‑8000(B) and (C) do not apply to the production and distribution of ‘Gold Star Family’ special license plates.

(C) For the purposes of this section, ‘members of the immediate family’ means a person who is a parent, spouse, sibling, or child of a armed forces member killed in action. Each qualifying person is entitle to a limit of two ‘Gold Star Family’ special license plates.”

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