~~Indicates Matter Stricken~~

Indicates New Matter

AMENDED

March 2, 2017

**H. 3358**

Introduced by Reps. Willis, Allison, Collins, Knight, West, Felder and Williams

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Read the first time January 10, 2017.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Explanation of Fiscal Impact**

**Introduced on January 10, 2017**

**State Expenditure**

This bill authorizes DMV to issue driver’s licenses and identification cards that are in compliance with the REAL ID Act to qualifying citizens. A person may hold only one DMV issued credential at a time. DMV may issue a compliant or non-compliant card. However, a REAL ID compliant card may only be issued to individuals who present all supporting documents required for a compliant credential. Also, the bill amends the driver’s license renewal period from ten years to eight years and deletes the reference to a five-year driver’s license. The fee for the eight-year driver’s license is $25. Additionally, the bill makes changes to vision screenings required for initial and renewal driver’s licenses and deletes the provision that allows individuals who are sixty-five years of age or older to renew their license by mail.

**Department of Motor Vehicles (DMV).** The department indicates that passage of this bill will result in an additional $1,707,000 in other fund expenses in FY 2016-17. Of this amount, $1,699,000 is non-recurring for advertising and equipment. Recurring expenses are expected to total $8,000 for maintenance fees. Non-recurring other fund expenses in FY 2017-18 are expected to increase by $13,609,000 for 100 temporary customer service representatives, increased salary and mileage for thirty-three relief customer service representatives, one temporary employee in imaging, one contract business analyst, two temporary employees in international affairs, and overtime for current international affairs employees. Non-recurring other fund expenses are expected to increase by $4,841,000 in FY 2018-19 and FY 2019-20 for 100 temporary customer service representatives, increased salary and mileage for thirty-three relief customer service representatives, and one temporary employee in imaging. Recurring other fund expenses are expected to increase by $241,000 in FY 2017-18, 2018-19, and FY 2019-20 for six classified customer service representatives and one classified employee in imaging.

**Department of Transportation.** The department indicates that this bill does not create new responsibilities for DOT and will have no expenditure impact on the general fund, federal funds, or other funds.

**State Revenue**

This bill amends the driver’s license renewal period from ten years to eight years and deletes the reference to a five-year driver’s license. The fee for an eight-year license is $25. A license issued on or after October 1, 2017, expires on the licensee’s birth date on the eighth calendar year in which it is issued. The fees collected pursuant to the increase in driver’s license fee must be credited to the Department of Transportation State Highway Fund. Also, the bill deletes the requirement of the $1 fee for a veteran designation to be placed on a new, renewal, or replacement driver’s license. Currently, this $1 fee is allocated to the State Non-Federal Aid Highway Fund. Additionally, the bill deletes the requirement that during the fifth year of a ten-year license, the licensee must submit by mail to DMV a certificate from an ophthalmologist or optometrist, or must appear in person at a DMV office to complete a vision screening. Further, the bill deletes the requirement that a licensee who fails to submit the certificate or fails to appear in person at a DMV office must be fined a $50 fee. Pursuant to Section 56-1-220(B), the revenue from the $50 fee is currently allocated to the State Highway Fund.

Based upon data provided by DMV, there are approximately 3,531,000 driver’s licenses and 12,500 ID holders in their database. If every individual who currently holds a non-compliant credential decided to obtain a compliant credential, an additional $88,338,000 in additional revenue would be allocated to the State Non-Federal Aid Highway Fund in FY 2017-18. However, only the individuals interested in using their driver’s license or ID card to enter federal buildings, military bases, or to board an airplane, would need to renew early in order to obtain a compliant credential. Since the number of driver’s license and ID card holders who may renew early to obtain the compliant credential is undetermined, the revenue generated pursuant to early renewals in FY 2017-18 is undetermined. However, we estimate that revenue derived from driver’s license renewals would increase approximately twenty percent annually once the acceleration period was complete and all renewals were on the new eight-year cycle. The revenue generated from driver’s license renewals is allocated to the State Non-Federal Aid Highway Fund.

Based upon the most current data available from DMV, we estimate that approximately 17,000 veteran designations will be placed on driver’s licenses in FY 2017-18. Therefore, we estimate that deletion of the $1 fee for a veteran designation to be placed on a driver’s license will reduce revenue to the State Highway Fund by $17,000 in FY 2017-18.

Proviso 82.8 of the FY 2016-17 Appropriation’s Act suspends the $50 fee associated with the vision screening required in the fifth year of a ten-year license. Therefore, since there is currently no revenue associated with the $50 fee, revenue of the State Highway Fund would not be reduced in FY 2017-18.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 56‑1‑87 SO AS TO PROVIDE THAT A PERSON MAY HOLD ONLY ONE DEPARTMENT OF MOTOR VEHICLES‑ISSUED CREDENTIAL AT A TIME, TO PROVIDE THAT A REAL ID CARD MAY BE A DRIVER’S LICENSE OR IDENTIFICATION CARD, AND TO PROVIDE THAT THE DEPARTMENT MAY ISSUE A COMPLIANT OR NON‑COMPLIANT CREDENTIAL TO A PERSON WHO PRESENTS CERTAIN DOCUMENTS TO THE DEPARTMENT; TO AMEND SECTION 56‑1‑85, RELATING TO THE STATE’S NON‑PARTICIPATION IN THE FEDERAL REAL ID ACT, SO AS TO PROVIDE THAT THE STATE SHALL MEET ALL THE REQUIREMENTS OF THE FEDERAL REAL ID ACT; TO AMEND SECTION 56‑1‑90, RELATING TO IDENTIFICATION NECESSARY TO OBTAIN A DRIVER’S LICENSE, SO AS TO REVISE THE CRITERIA THAT MUST BE MET TO PROVE THE EXISTENCE AND VALIDITY OF A PERSON’S SOCIAL SECURITY NUMBER; TO AMEND SECTION 56‑1‑140, AS AMENDED, RELATING TO THE ISSUANCE OF A DRIVER’S LICENSE, SO AS TO REVISE THE COST AND FREQUENCY OF THE RENEWAL PERIOD FOR A DRIVER’S LICENSE, TO REVISE THE CONTENT OF A DRIVER’S LICENSE, AND TO ELIMINATE THE FEE ASSOCIATED WITH THE PLACEMENT OF A VETERAN DESIGNATION ON A DRIVER’S LICENSE; TO AMEND SECTION 56‑1‑210, RELATING TO THE EXPIRATION OF A DRIVER’S LICENSE, SO AS TO REVISE THE EXPIRATION DATE OF A LICENSE ISSUED AFTER OCTOBER 1, 2017, AND TO REVISE THE CRITERIA THAT MUST BE MET BY A PERSON WHO SEEKS TO HAVE HIS LICENSE RENEWED; AND TO AMEND SECTION 56‑1‑220, AS AMENDED, RELATING TO VISION SCREENINGS REQUIRED FOR RENEWAL OF A DRIVER’S LICENSE, SO AS TO REVISE THE CRITERIA THAT MUST BE MET BY A PERSON WHO SEEKS TO RENEW HIS DRIVER’S LICENSE.

Amend Title To Conform

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

SECTION 1. Article 1, Chapter 1, Title 56 of the 1976 Code is amended by adding:

“Section 56‑1‑87. (A) A person may hold only one Department of Motor Vehicles‑issued credential at a time. A REAL ID card may be a driver’s license or identification card, but not both.

(B)The department may issue a compliant or non‑compliant card. The department may issue a REAL ID compliant credential only to a person who:

(1) presents all supporting documents required for a compliant credential, or

(2) has previously presented proper supporting documents and the department has retained copies of those documents.

(C) The department shall issue a non-compliant credential to a person who opts not to have a REAL ID card, and meets the other requirements necessary to obtain a non-compliant credential.”

SECTION 2. Section 56‑1‑85 of the 1976 Code, as added by Act 70 of 2007, is amended to read:

“Section 56‑1‑85. ~~The State shall not participate in the implementation of the federal REAL ID Act.”~~

It is hereby declared to be the policy of this State:

(1) The State is committed to the continuing effort of enhancing the security, authentication, and issuance procedure standards of its drivers’ licenses and identification cards and of meeting all requirements of the Federal REAL ID Act of 2005 (P.L. 109‑13) and accompanying regulations.

(2) The department shall enable qualifying citizens to obtain state driver’s licenses and identification cards that are in compliance with the REAL ID Act.”

SECTION 3. Section 56‑1‑90 of the 1976 Code is amended to read:

“Section 56‑1‑90. The Department of Motor Vehicles may require every applicant to submit for identification purposes proof of name, Social Security number, and date and place of birth when applying for a driver’s license. An applicant for a driver’s license, driver’s permit, or special identification card or a renewal thereof may sufficiently prove the existence and validity of his Social Security number, for purposes of Section 14‑7‑130, by any ~~reasonably reliable~~ document ~~containing the Social Security number~~ considered reliable by the Department of Motor Vehicles. Such a document includes, but is not limited to, an official Social Security card, Social Security check, Social Security form SSA‑1099, letter from the Social Security Administration, voter registration card, payroll stub, or Federal W‑2 form~~, or U.S. military identification card~~. The numbers may also be obtained from the Department of Revenue pursuant to Section 12‑54‑240(B)(7) which permits the Department of Revenue to submit taxpayer Social Security numbers to the Department of Motor Vehicles and to the State Election Commission.

~~For purposes of this section, when a licensee is applying for a replacement license, the Department of Motor Vehicles must accept an affidavit as evidence that the licensee has established the existence and validity of his Social Security number at the time of the original license application. The driver’s license number of a person may be his Social Security number.~~

This section does not prevent issuance of a driver’s license or identification card to a foreign exchange student participating in a valid foreign exchange program.”

SECTION 4. Section 56‑1‑140 of the 1976 Code, as last amended by Act 275 of 2016, is further amended to read:

“Section 56‑1‑140. (A) Upon payment of a fee of ~~twelve dollars and fifty cents for a license that is valid for five years, or~~ twenty‑five dollars for a license that is valid for ~~ten~~ eight years, the ~~Department of Motor Vehicles~~ department shall issue to every qualified applicant a driver’s license as applied for by law. The license must bear on it a distinguishing number assigned to the licensee, the full name, date of birth, residence address, a brief description and laminated colored photograph of the licensee, any marking otherwise required or in compliance with law, and a facsimile of the signature of the licensee~~, or a space upon which the licensee shall write his usual signature with pen and ink immediately upon receipt of the license~~. No license is valid until it has been so signed by the licensee. The license authorizes the licensee to operate only those classifications of vehicles as indicated on the license.

(B) An applicant for a new, renewed, or replacement ~~South Carolina~~ driver’s license may apply to the ~~Department of Motor Vehicles~~ department to obtain a veteran designation on the front of his driver’s license by providing~~:~~

~~(1)~~ a United States Department of Defense discharge certificate, also known as a DD Form 214, form 4, that shows a characterization of service, or discharge status of ‘honorable’ or ‘general under honorable conditions’ and establishes the person’s qualifying military service in the United States Armed Forces~~; and~~

~~(2)~~ ~~payment of a one dollar fee that must be collected by the department and placed by the Comptroller General into the State Highway Fund as established by Section 57‑11‑20, to be distributed as provided in Section 11‑43‑167~~.

The ~~Department of Motor Vehicles~~ department may determine the appropriate form of the veteran designation on the driver’s license authorized pursuant to this section.

(C) The fees collected pursuant to this section must be credited to the Department of Transportation State Non‑Federal Aid Highway Fund.”

SECTION 5. Section 56‑1‑210 of the 1976 Code is amended to read:

“Section 56‑1‑210. (A) ~~A license issued or renewed before October 1, 2003, expires on the licensee’s birth date on the fifth calendar year after the calendar year in which it is issued.~~ A license issued or renewed on or after October 1, ~~2003~~ 2017, expires on the licensee’s birth date on the ~~tenth~~ eighth calendar year in which it is issued. ~~When a person who is sixty‑five years of age or older renews his license, the license shall expire five years from the date it was issued.~~

(B) A license is renewable on or before its expiration date upon application and the payment of the required fee.

(C) The ~~Department of Motor Vehicles~~ department may renew a driver’s license of a resident by mail or electronically upon payment of the required fee, if the renewal is a digitized license.

(D) ~~A license may not be renewed until the licensee is reexamined as provided in Section 56‑1‑130, except that the licensee is not required to take the road test provided in Section 56‑1‑130; provided, further, that only the vision screening is required of those persons who have no more than five points for moving traffic violations in the two years prior to making application for renewal.~~ For cause shown, the department may require the submission by the applicant of evidence satisfactory to the department of the applicant’s mental and physical fitness to drive and his knowledge of traffic laws and regulations. If the evidence is not satisfactory to the department, the department may require an examination of the applicant as upon an original application. Parallel parking is not required as a part of the driver’s test.

(E) If a person’s license expires and he is unable to renew it before its expiration date because he is on active military duty outside this State for a continuous period of at least thirty days immediately before the expiration date or because he is the spouse or dependent living for a continuous period of at least thirty days immediately before the expiration date with a person on active military duty outside this State, within sixty days after returning to this State, the person may renew his license in the manner permitted by this section as though the license had not expired. The department may require proof from the person that he qualifies for renewal of his license under this paragraph. Upon request, the person shall provide the department with a copy of his military service record, a document of his branch of military service showing the date of active military duty outside the State, or other evidence presented by the person showing the dates of service.”

SECTION 6. Section 56‑1‑220 of the 1976 Code, as last amended by Act 275 of 2016, is further amended to read:

“Section 56‑1‑220. (A) ~~Vision screenings are required for all persons before having their licenses renewed by the Department of Motor Vehicles.~~ The department shall require vision screening for all persons obtaining an initial license. The vision screening may be waived upon the submission of a certificate of vision examination dated within the previous twelve months from an ophthalmologist or optometrist licensed in any state.

(B) ~~During the fifth year of a ten‑year license, the licensee must submit by mail to the department a certificate from an ophthalmologist or optometrist licensed in any state or appear in person at a department office to complete a vision screening. If a licensee fails to submit a certificate or fails to appear in person, the licensee must be fined fifty dollars. The department shall waive the fine if the person completes the requirements of this section within ninety days after the end of the fifth year of a ten‑year license. This fine must be placed by the Comptroller General into the State Highway Fund as established by Section 57‑11‑20, to be distributed as provided in Section 11‑43‑167.~~

~~(C)~~ ~~A vision screening will not be required before October 1, 2008, if a licensee is less than sixty‑five years of age, his license expires on his birth date on the fifth calendar year after the calendar year in which it is issued, and his license is renewed for an additional five years by mail or electronically. If a licensee is sixty‑five years of age or older and his license expires on his birth date on the fifth calendar year after the calendar year in which it is issued, then he may renew his license by mail for an additional five years upon submission of a certificate of vision examination from an ophthalmologist or optometrist licensed in any state.~~

~~(D)~~ The renewal license forms distributed by the department must be designed to contain a certification that the vision of the person screened meets the minimum standards required by the department or have been corrected to meet these requirements if a screening is required. The certification must be executed by the person conducting the screening. The minimum standards of the department shall not require a greater degree of vision than 20/40 corrected in one eye. Persons using bioptic lenses must adhere to the provisions contained in Section 56‑1‑222.

~~(E)~~(C) A person whose vision is corrected to meet the minimum standards shall have the correction noted on his driver’s license by the department.

~~(F)~~(D) It is unlawful for a person whose vision requires correction in order to meet the minimum standards of the department to drive a motor vehicle in this State without the use of the correction.

~~(G)~~(E) Unless otherwise provided in this section, any person violating the provisions of this section is guilty of a misdemeanor and, upon conviction, must be fined not more than one hundred dollars or imprisoned for not more than thirty days.”

SECTION 7. The Department of Motor Vehicles is authorized to expend $1.7 million in the current fiscal year (2016-2017) from its existing cash balances to begin implementing the provisions of this Act once it becomes effective.

SECTION 8. This act takes effect upon approval by the Governor.

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