**South Carolina General Assembly**

124th Session, 2021-2022

**A70, R86, H3505**

**STATUS INFORMATION**

General Bill

Sponsors: Rep. Simrill

Document Path: l:\council\bills\gt\5871cm21.docx

Companion/Similar bill(s): 148

Introduced in the House on January 12, 2021

Introduced in the Senate on March 4, 2021

Last Amended on March 3, 2021

Passed by the General Assembly on May 4, 2021

Governor's Action: May 17, 2021, Signed

Summary: Infrastructure maintenance fee and road use

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

12/16/2020 House Prefiled

12/16/2020 House Referred to Committee on **Education and Public Works**

1/12/2021 House Introduced and read first time ([House Journal‑page 216](file:///h:\hj\20210112.docx))

1/12/2021 House Referred to Committee on **Education and Public Works** ([House Journal‑page 216](file:///h:\hj\20210112.docx))

2/4/2021 House Member(s) request name removed as sponsor: McCabe

3/2/2021 House Committee report: Favorable with amendment **Education and Public Works** ([House Journal‑page 3](file:///h:\hj\20210302.docx))

3/3/2021 House Amended ([House Journal‑page 20](file:///h:\hj\20210303.docx))

3/3/2021 House Read second time ([House Journal‑page 20](file:///h:\hj\20210303.docx))

3/3/2021 House Roll call Yeas‑106 Nays‑4 ([House Journal‑page 20](file:///h:\hj\20210303.docx))

3/3/2021 Scrivener's error corrected

3/4/2021 House Read third time and sent to Senate ([House Journal‑page 11](file:///h:\hj\20210304.docx))

3/4/2021 Senate Introduced and read first time ([Senate Journal‑page 9](file:///h:\sj\20210304.docx))

3/4/2021 Senate Referred to Committee on **Transportation** ([Senate Journal‑page 9](file:///h:\sj\20210304.docx))

4/8/2021 Senate Committee report: Favorable **Transportation** ([Senate Journal‑page 14](file:///h:\sj\20210408.docx))

4/29/2021 Senate Read second time ([Senate Journal‑page 12](file:///h:\sj\20210429.docx))

4/29/2021 Senate Roll call Ayes‑42 Nays‑2 ([Senate Journal‑page 12](file:///h:\sj\20210429.docx))

5/4/2021 Senate Read third time and enrolled ([Senate Journal‑page 17](file:///h:\sj\20210504.docx))

5/13/2021 Ratified R 86

5/17/2021 Signed By Governor

6/1/2021 Effective date 05/17/21

6/1/2021 Act No.  70

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**VERSIONS OF THIS BILL**

[12/16/2020](file:///p:\pprever\2021-22\3505_20201216.docx)

[3/2/2021](file:///p:\pprever\2021-22\3505_20210302.docx)

[3/3/2021](file:///p:\pprever\2021-22\3505_20210303.docx)

[3/3/2021-A](file:///p:\pprever\2021-22\3505_20210303A.docx)

[4/8/2021](file:///p:\pprever\2021-22\3505_20210408.docx)

(A70, R86, H3505)

**AN ACT TO AMEND SECTION 56‑3‑627, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE INFRASTRUCTURE MAINTENANCE FEE ASSESSED AGAINST VEHICLES OR OTHER ITEMS UPON THEIR FIRST REGISTRATION, SO AS TO PROVIDE THIS FEE ALSO APPLIES TO THE FIRST TITLING OF VEHICLES, OTHER ITEMS, TRAILERS, OR SEMITRAILERS BY OWNERS OR LESSEES, TO PROVIDE THE DEPARTMENT OF MOTOR VEHICLES MAY NOT ISSUE TITLES UNTIL THE FEES HAVE BEEN COLLECTED, TO PROVIDE IF DEALERS DO NOT LICENSE, TITLE, OR REGISTER ITEMS, THE CUSTOMERS MUST PAY THE FEES TO THE DEPARTMENT OF MOTOR VEHICLES WHEN TITLING OR REGISTERING VEHICLES, TO PROVIDE IF THE LESSEE PURCHASES A VEHICLE HE ORIGINALLY LEASED AND THE REGISTRANT OF THE VEHICLE REMAINS THE SAME, THE PERSON DOES NOT OWE AN ADDITIONAL INFRASTRUCTURE MAINTENANCE FEE, TO PROVIDE ITEMS TRANSFERRED TO AN INSURER FOR THE PURPOSE OF APPLYING FOR SALVAGE TITLES ARE EXCLUDED FROM IMPOSITION OF FEES, TO PROVIDE FEES MUST BE ASSESSED AGAINST AN OWNER OR LESSEE WHO FIRST TITLES AN ITEM IN ANOTHER STATE AND SUBSEQUENTLY REGISTERS THE ITEM IN THIS STATE, AND TO PROVIDE THE FEES MAY NOT BE IMPOSED IF THE OWNER OR LESSEE OF THE ITEMS IS SERVING ON ACTIVE MILITARY DUTY; AND TO AMEND SECTION 56‑3‑645, RELATING TO THE ROAD USE FEES IMPOSED UPON OWNERS OF VEHICLES NOT POWERED EXCLUSIVELY BY MOTOR FUELS, SO AS TO PROVIDE THE FEES MUST BE COLLECTED AT THE TIME VEHICLES ARE TITLED OR REGISTERED.**

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

**Infrastructure maintenance fee**

SECTION 1. Section 56‑3‑627(A),(B),(C), and (D) of the 1976 Code is amended to read:

“(A) In order to account for the necessary road maintenance caused by each item traversing the roads of this State, in addition to the registration fees imposed by this chapter, the owner or lessee of each vehicle or other item that is required to be registered pursuant to this chapter must pay an infrastructure maintenance fee upon first titling or registering the vehicle or other item. Also, the owner or lessee of each trailer or semitrailer must pay the fee upon first titling or registering the trailer or semitrailer. The Department of Motor Vehicles may not issue a title or registration until the infrastructure maintenance fee has been collected. The infrastructure maintenance fee must be credited to the Infrastructure Maintenance Trust Fund.

(B) If upon purchasing or leasing the item from a dealer, the owner or lessee first registers the item in this State, then the fee equals five percent, not to exceed five hundred dollars, of the gross proceeds of sales, or sales price, as those terms are defined in Chapter 36, Title 12. If the dealer holds a South Carolina retail license or offers to license, title, or register the item, then the dealer must collect the fee and remit it to the Department of Motor Vehicles. If the dealer does not license, title, or register the item, the customer must pay the infrastructure maintenance fee to the department when titling or registering the vehicle.

(C)(1) If upon purchasing or leasing the item from a person other than a dealer, the owner or lessee first registers the item in this State, then the fee equals five percent, not to exceed five hundred dollars, of the fair market value of the item. If the lessee purchases the vehicle he originally leased and the registrant of the vehicle remains the same, the person does not owe an additional infrastructure maintenance fee.

(2) Excluded from the fee imposed pursuant to this subsection are:

(a) items transferred:

(i) to members of the immediate family;

(ii) to a legal heir, legatee, or distributee;

(iii) from an individual to a partnership upon formation of a partnership, or from a stockholder to a corporation upon formation of a corporation;

(iv) to a licensed motor vehicle or motorcycle dealer for the purpose of resale;

(v) to a financial institution for the purpose of resale;

(vi) as a result of repossession to any other secured party, for the purpose of resale;

(vii) to an insurer for the purpose of applying for a salvage title;

(b) the fair market value of an item transferred to the seller or secured party in partial payment;

(c) gross proceeds of transfers of items specifically exempted by Section 12‑36‑2120 from the sales or use tax;

(d) items where a sales or use tax has been paid on the transaction necessitating the transfer.

(3) The Department of Motor Vehicles shall require every applicant for a certificate of title to supply information it considers necessary as to the time of purchase, the purchase price, and other information relative to the determination of fair market value. If the fee is based upon total purchase price as defined in this subsection, the department shall require a submission of a bill of sale and the signature of the owner subject to the perjury statutes of this State.

(4) For purposes of this subsection:

(a) ‘Fair market value’ means the total purchase price less any trade‑in, or the valuation shown in a national publication of used values adopted by the department, less any trade‑in.

(b) ‘Immediate family’ means spouse, parents, children, sisters, brothers, grandparents, and grandchildren.

(c) ‘Total purchase price’ means the price of an item agreed upon by the buyer and seller with an allowance for a trade‑in, if applicable.

(D)(1) If upon purchasing or leasing the item, the owner or lessee first titles or registers the item in another state, and subsequently registers the item in this State, then the fee equals two hundred fifty dollars.

(2) This subsection does not apply if the owner or lessee of the item is serving on active duty in the Armed Forces of the United States. The exclusion allowed by this item also extends to items owned by the spouse or dependent of a person serving on active duty in the Armed Forces of the United States.

(3) Notwithstanding any other provision of this section, until after December 31, 2022, the revenue collected pursuant to this subsection must be credited to the Safety Maintenance Account established pursuant to Section 11‑11‑240. After December 31, 2022, the revenue collected pursuant to this subsection must be credited to the Infrastructure Maintenance Trust Fund.”

**Road use fee**

SECTION 2. Section 56‑3‑645(C) of the 1976 Code is amended to read:

“(C) The Department of Motor Vehicles shall collect this fee at the same time as the vehicle subject to the fee is titled or registered.”

**Time effective**

SECTION 3. This act takes effect upon approval by the Governor.

Ratified the 13th day of May, 2021.

Approved the 17th day of May, 2021.

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