

REPORT OF THE LICENSES, FEES, INSURANCE TAX & OTHER CHARGES SUBCOMMITTEE

(Neal, Limehouse, Bingham, & Edge - Staff Contact: Ryan Burnaugh)

Senate BILL 1000

S. 1000 -- Senators Peeler and Reese: A JOINT RESOLUTION TO PROVIDE THAT IN 2015 AND 2016, THE ANNUAL FEE FOR THE AUTOMOBILE MANUFACTURER STANDARD LICENSE PLATE FOR VEHICLES IN THE MANUFACTURER'S EMPLOYEE BENEFIT PROGRAM AND FOR THE TESTING, DISTRIBUTION, EVALUATION, AND PROMOTION OF ITS VEHICLES IS SEVEN HUNDRED FIFTY-FOUR DOLLARS, TO PROVIDE THAT TWENTY DOLLARS OF EACH FEE IS CREDITED TO THE GENERAL FUND OF THE STATE AND THE BALANCE TO LOCAL GOVERNMENTS, AND TO PROVIDE THAT THE ENTIRE FEE AMOUNT BE CREDITED TO THE GENERAL FUND OF THE STATE FOR NONRESIDENT PARTICIPANTS IN THE EMPLOYEE BENEFIT PROGRAM.

Summary of Bill:

Every-other-year adjustment made by the General Assembly to the annual registration fee for standard license plates issued to auto manufacturers for vehicles used in employee benefits programs and for testing, distribution, etc. \$52 increase from the previous amount, for a total fee of \$754.

Introduced: 02/05/2014

Received by Ways and Means: 03/10/2014

Estimated Fiscal Impact:

Will generate an estimated \$2,751,766 per year for SC counties for the next two years.

Subcommittee Recommendation:

Favorable

Full Committee Recommendation:

Pending

Other Notes/Comments:

BMW

Statement of Estimated State and Local Revenue Impact

Date: February 7, 2014

Bill Number: S. 1000

Author: Peeler and Reese

Committee Requesting Impact: Senate Committee on Transportation

Bill Summary

A joint resolution to provide that in 2015 and 2016, the annual fee for the automobile manufacturer standard license plate for vehicles in the manufacturer's employee benefit program and for testing, distribution, evaluation, and promotion of its vehicles is seven hundred fifty-four dollars, to provide that twenty dollars of each fee is credited to the General Fund of the State and the balance to local governments, and to provide that the entire fee amount be credited to the General Fund of the State for nonresident participants in the employee benefit program.

REVENUE IMPACT ¹¹

State:

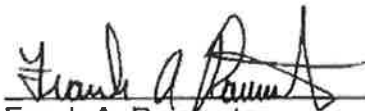
This joint resolution is expected to raise Motor Vehicle License revenue within the state's General Fund by \$2,652 in FY 2014-15 and by \$5,304 in FY 2015-16.

Local:

This joint resolution is expected to raise revenue allocated to certain county jurisdictions by \$97,474 in FY 2014-15 and by \$194,948 in FY 2015-16.

Explanation

This joint resolution resets the annual fee to register a "BM" license plate in this State at \$754 for calendar years 2015 and 2016. This rate reflects an absolute dollar amount increase of \$52 from the current fee of \$702 pursuant to Act 317 of 2012. Regarding State General Fund revenue, registration fees for state residents participating in the employee benefit program remains at \$20; no revenue change exists here. For those program vehicles registered to nonresident employees, the entire fee of \$754 must be credited to the State's General Fund, an increase of \$52. Multiplying \$52 by 102 (the number of out-of-state vehicles) results in a revenue increase of \$5,304 for a full fiscal year. Regarding the revenue allocated to local governments, registration fees increase from the current \$682 amount to \$734, a \$52 increase. Multiplying \$52 by 3,749 (the number of in-state vehicles) results in a revenue increase of \$194,948 for a full fiscal year.



Frank A. Rainwater
Chief Economist

Analyst: Williams

¹¹ 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

South Carolina General Assembly
120th Session, 2013-2014

S. 1000

STATUS INFORMATION

Joint Resolution

Sponsors: Senators Peeler and Reese

Document Path: I:\council\bills\bbm\9012htc14.docx

Introduced in the Senate on February 5, 2014

Introduced in the House on March 10, 2014

Currently residing in the House Committee on **Ways and Means**

Summary: License plates

HISTORY OF LEGISLATIVE ACTIONS

| <u>Date</u> | <u>Body</u> | <u>Action Description with journal page number</u> |
|-------------|-------------|--|
| 2/5/2014 | Senate | Introduced and read first time (<u>Senate Journal-page 20</u>) |
| 2/5/2014 | Senate | Referred to Committee on Transportation (<u>Senate Journal-page 20</u>) |
| 2/18/2014 | Senate | Recalled from Committee on Transportation (<u>Senate Journal-page 12</u>) |
| 2/18/2014 | Senate | Committed to Committee on Finance (<u>Senate Journal-page 12</u>) |
| 2/26/2014 | Senate | Committee report: Favorable Finance (<u>Senate Journal-page 17</u>) |
| 3/5/2014 | Senate | Read second time (<u>Senate Journal-page 31</u>) |
| 3/5/2014 | Senate | Roll call Ayes-41 Nays-1 (<u>Senate Journal-page 31</u>) |
| 3/6/2014 | Senate | Read third time and sent to House (<u>Senate Journal-page 14</u>) |
| 3/10/2014 | House | Introduced and read first time (<u>House Journal-page 9</u>) |
| 3/10/2014 | House | Referred to Committee on Ways and Means (<u>House Journal-page 9</u>) |

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VERSIONS OF THIS BILL

[2/5/2014](#)

[2/26/2014](#)

[2/27/2014](#)

1 COMMITTEE REPORT
2 February 26, 2014

3
4 **S. 1000**

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6 Introduced by Senators Peeler and Reese

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8 S. Printed 2/27/14--S.
9 Read the first time February 5, 2014.

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12 **THE COMMITTEE ON FINANCE**

13 To whom was referred a Joint Resolution (S. 1000) to provide
14 that in 2015 and 2016, the annual fee for the automobile
15 manufacturer standard license plate for vehicles in the
16 manufacturer's employee benefit program, etc., respectfully

17 **REPORT:**

18 That they have duly and carefully considered the same and
19 recommend that the same do pass:

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21 HUGH K. LEATHERMAN, SR. for Committee.

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24 **STATEMENT OF ESTIMATED FISCAL IMPACT**

25 **REVENUE IMPACT ^{1/}**

26 **State:**

27 This joint resolution is expected to raise Motor Vehicle License
28 revenue within the state's general fund by \$2,652 in FY 2014-15
29 and by \$5,304 in FY 2015-16.

30 **Local:**

31 This joint resolution is expected to raise revenue allocated to
32 certain county jurisdictions by \$97,474 in FY 2014-15 and by
33 \$194,948 in FY 2015-16.

34 **Explanation**

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36 license plate in this State at \$754 for calendar years 2015 and
37 2016. This rate reflects an absolute dollar amount increase of \$52
38 from the current fee of \$702 pursuant to Act 317 of 2012.
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40 residents participating in the employee benefit program remains at
41 \$20; no revenue change exists here. For those program vehicles
42 registered to nonresident employees, the entire fee of \$754 must be

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1 credited to the state's general fund, an increase of \$52. Multiplying
2 \$52 by 102 (the number of out-of-state vehicles) results in a
3 revenue increase of \$5,304 for a full fiscal year. Regarding the
4 revenue allocated to local governments, registration fees increase
5 from the current \$682 amount to \$734, a \$52 increase. Multiplying
6 \$52 by 3,749 (the number of in-state vehicles) results in a revenue
7 increase of \$194,948 for a full fiscal year.

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Approved By:
Frank A. Rainwater
Board of Economic Advisors

13 1/ This statement meets the requirement of Section 2-7-71 for a state revenue
14 impact by the BEA, or Section 2-7-76 for a local revenue impact or Section 6-1-
15 85(B) for an estimate of the shift in local property tax incidence by the Office of
16 Economic Research.

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A JOINT RESOLUTION

TO PROVIDE THAT IN 2015 AND 2016, THE ANNUAL FEE FOR THE AUTOMOBILE MANUFACTURER STANDARD LICENSE PLATE FOR VEHICLES IN THE MANUFACTURER’S EMPLOYEE BENEFIT PROGRAM AND FOR THE TESTING, DISTRIBUTION, EVALUATION, AND PROMOTION OF ITS VEHICLES IS SEVEN HUNDRED FIFTY-FOUR DOLLARS, TO PROVIDE THAT TWENTY DOLLARS OF EACH FEE IS CREDITED TO THE GENERAL FUND OF THE STATE AND THE BALANCE TO LOCAL GOVERNMENTS, AND TO PROVIDE THAT THE ENTIRE FEE AMOUNT BE CREDITED TO THE GENERAL FUND OF THE STATE FOR NONRESIDENT PARTICIPANTS IN THE EMPLOYEE BENEFIT PROGRAM.

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

SECTION 1. Notwithstanding the annual fee prescribed pursuant to Section 56-3-2332 of the 1976 Code, for the standard license plate issued to an automobile manufacturer for vehicles used in a benefit program for the manufacturer’s employees or for testing, distribution, evaluation, and promotion, the registration fee for applications filed in 2015 and 2016 is seven hundred fifty-four dollars. In accounting for the revenue of this fee for applications filed in 2015 and 2016, twenty dollars is credited to the General Fund of the State and the amount required to be remitted to a local government is seven hundred thirty-four dollars. In the case of employees participating in the benefit program who reside outside of this State, the entire fee must be credited to the General Fund of the State.

1 SECTION 2. This joint resolution takes effect January 1, 2015.
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