~~Indicates Matter Stricken~~

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COMMITTEE REPORT

March 25, 2010

**H. 4346**

Introduced by Reps. Barfield, Alexander, Jefferson, Lowe, Toole, Sellers, Brantley, Sottile, G.A. Brown, Parker, Govan, Duncan, Willis, Anthony, Cato, Chalk, Cobb‑Hunter, Agnew, Clyburn, Miller, Frye, Simrill, Jennings, Williams, Harvin, Mitchell, Stringer, Sandifer, Vick, Viers, G.M. Smith, Hutto, Stavrinakis, Bales, Battle, Bedingfield, Bowen, Bowers, Brady, Branham, Crawford, Daning, Delleney, Dillard, Edge, Forrester, Funderburk, Gambrell, Gunn, Hamilton, Hardwick, Harrell, Harrison, Hayes, Hearn, Hodges, Hosey, Howard, Huggins, Kelly, Limehouse, Littlejohn, Long, McEachern, V.S. Moss, J.M. Neal, Norman, Ott, M.A. Pitts, Rice, Spires, Thompson, Umphlett, Weeks, White and Wylie

S. Printed 3/25/10--H.

Read the first time January 14, 2010.

**THE COMMITTEE ON EDUCATION AND PUBLIC WORKS**

To whom was referred a Bill (H. 4346) to amend the Code of Laws of South Carolina, 1976, by adding Article 108 to Chapter 3, Title 56 so as to provide that the Department of Motor Vehicles shall, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, by striking all after the enacting words and inserting:

/ SECTION 1. Section 56‑3‑10410 of the 1976 Code as added by Act 297 is amended to read:

“Section 56‑3‑10410. (A) The department may issue a ‘Veteran’ special motor vehicle license plate for use on a private passenger motor vehicle or motorcycle registered in a person’s name in this State who served in the United States Armed Forces, active or reserve components, and who was honorably discharged from service. An application for this special motor vehicle license plate must include official military documentation showing the applicant was honorably discharged from service. Only two plates may be issued to a person.

(B) The requirements for production and distribution of the plate are those set forth in Section 56‑3‑8100. The biennial fee for this plate is the regular registration fee set forth in Article 5, Chapter 3 of this title. The Department of Motor Vehicles shall imprint the special license plates with the word ‘Veteran’, with numbers the department may determine.

(C) A license plate issued pursuant to this article may be transferred to another vehicle of the same weight class owned by the same person upon application being made and being approved by the Department of Motor Vehicles. It is unlawful for a person to whom the plate has been issued to knowingly permit it to be displayed on any vehicle except the one authorized by the department.

(D) The provisions of this article do not affect the registration and licensing of motor vehicles as required by other provisions of this chapter but are cumulative to those other provisions. A person violating the provisions of this article or a person who (1) fraudulently gives false or fictitious information in any application for a special license plate, as authorized in this article, (2) conceals a material fact, or (3) otherwise commits fraud in the application or in the use of a special license plate issued is guilty of a misdemeanor and, upon conviction, must be punished by a fine of not more than one hundred dollars or by imprisonment for not more than thirty days, or both.

(E) If a person who qualifies for the special license plate issued under this section also meets all requirements for the handicapped license plate issued pursuant to Section 56‑3‑1910 (B), then the license plate issued pursuant to this section shall also include the distinguishing wheelchair symbol used on license plates issued pursuant to Section 56‑3‑1910(B).

(F) If a person who qualifies for a special license plate issued under this section also is certified by the Veteran’s Administration or County Veteran Affairs officer with a service related disability, then the license plate issued under this section shall also include the word ‘disabled’.

SECTION 2. This act takes effect six months after approval by the Governor. /

Renumber sections to conform.

Amend title to conform.

PHILLIP D. OWENS for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**REVENUE IMPACT** 1/

This bill is expected to raise DMV earmarked funds by $1,985 in FY 2010-11. Conversely, it would reduce SIB restricted funds by $1,985 in FY 2010-11. This bill would not impact state general fund revenue.

**Explanation:** This bill authorizes the Department of Motor Vehicles (DMV) to issue ‘Disabled Veteran' special license plates to those veterans with a service-connected disability, as determined from medical records of the U.S. Department of Veterans Affairs (VA). Provisions for this new special plate are cumulative to other special plate provisions for wartime disabled veterans under Article 7 of Chapter 3, Title 56. The proposed plate, however, requires a registration fee, does not permit free parking, or any other privilege available to the holder of the Article 7 special plate. The production, cost, and distribution of the new plate are governed by Section 56-3-8100. It may be used on private passenger vehicles and motorcycles. A maximum of two plates may be issued to a person.

Pursuant to Section 56-3-8100, prerequisites for production of any special license plate by DMV are a minimum of 400 prepaid applications, or a deposit of $4,000. The biennial fee for this special plate would be the regular, biennial registration fee set forth in Article 5, Chapter 3 of this Title ($20-$24 for autos, based on age; $30-$110 for light trucks, based on gross weight; and $10 for motorcycles).

We estimate first-year sales of 400 tags with a distribution of 290 autos, 95 light trucks and fifteen motorcycles. Although language does not add a “special” fee, as in current practice we expect DMV to recoup its cost. Accordingly, multiplying 400 plates by an estimated cost differential (new vs. renewal) of +$5 per new car/truck plate (@ $5 X 385 = $1,925) and approximately +$4 per new motorcycle tag (@ $4 X 15 = $60) would raise DMV earmarked funds by a total of $1,985 in FY2010-11. Revenue allocated to the S. C. Transportation Infrastructure Bank (SIB) pursuant to Section 56-3-910 is net of DMV’s costs as applicable. That proration would, conversely, be reduced by $5 or $4, per respective plate type, in FY2010-11. Thus, SIB restricted funds would be reduced by a total of $1,985 in FY2010-11. Since the general fund receives no revenue from standard, biennial registration fees, the bill would have no impact on state general fund revenue.

*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.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

See Below

**EXPLANATION OF IMPACT:**

The Department of Motor Vehicles indicates that this bill will have a one-time fiscal impact to the agency. The cost will be for the production of two special license plates, one plate for motorcycles and one for an automobile. The IT cost for each plate is $5,900 for a total of $11,800 for the two plates. As required by Section 56-3-8100, the department must charge each group of applicants for special plates a fee of $4,000 per plate. For this bill, the department will collect $8,000 for the two plates and the balance of $3,800 will be the impact to the agency.

*Approved By:*

Harry Bell

Office of State Budget

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 108 TO CHAPTER 3, TITLE 56 SO AS TO PROVIDE THAT THE DEPARTMENT OF MOTOR VEHICLES SHALL ISSUE DISABLED VETERAN SPECIAL LICENSE PLATES.

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

SECTION 1. Chapter 3, Title 56 of the 1976 Code is amended by adding:

“Article 108

Disabled Veteran License Plates

Section 56‑3‑10810. (A) The department may issue ‘Disabled Veteran’ special motor vehicle license plates for use on a private passenger motor vehicles or motorcycles registered in a person’s name in this State who is a veteran classified as disabled due to a service‑connected disability as determined from medical records on file with the United States Department of Veterans Affairs. An application for this special motor vehicle license plate must include official military documentation showing the applicant is a disabled veteran who was honorably discharged from service. Only two plates may be issued to a person.

(B) The requirements for production and distribution of the plate are those set forth in Section 56‑3‑8100. The biennial fee for this plate is the regular registration fee set forth in Article 5, Chapter 3 of this title. The Department of Motor Vehicles shall imprint the special license plates with the words ‘Disabled Veteran’, with numbers the department may determine.

(C) A license plate issued pursuant to this article may be transferred to another vehicle of the same weight class owned by the same person upon application being made and being approved by the Department of Motor Vehicles. It is unlawful for a person to whom the plate has been issued to knowingly permit it to be displayed on any vehicle except the one authorized by the department.

(D) The provisions of this article do not affect the registration and licensing of motor vehicles as required by other provisions of this chapter but are cumulative to those other provisions. A person violating the provisions of this article or a person who (1) fraudulently gives false or fictitious information in any application for a special license plate, as authorized in this article, (2) conceals a material fact, or (3) otherwise commits fraud in the application or in the use of a special license plate issued is guilty of a misdemeanor and, upon conviction, must be punished by a fine of not more than one hundred dollars or by imprisonment for not more than thirty days, or both.”

SECTION 2. This act takes effect upon approval by the Governor.

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