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COMMITTEE REPORT

March 21, 2012

**H. 4888**

Introduced by Reps. Thayer, Owens, Daning, Brannon, Erickson, Whitmire, Atwater, R.L. Brown, Gambrell, J.M. Neal, Putnam and Willis

S. Printed 3/21/12--H.

Read the first time February 23, 2012.

**THE COMMITTEE ON EDUCATION AND PUBLIC WORKS**

To whom was referred a Bill (H. 4888) to amend Section 38‑73‑470, as amended, Code of Laws of South Carolina, 1976, relating to the disposition of the Uninsured Motorist Fund, so as to provide, 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 deleting SECTION 8 on pages 4 and 5 in its entirety.

Amend the bill further, SECTION 11, page 6, by deleting SECTION 11 in its entirety and inserting:

/ SECTION 11. This act takes effect upon 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 earmarked funds of the DMV by $4,330,384 in FY 2012-13 and by $5,396,460 in FY 2013-14. Conversely, it would reduce Motor Vehicle License revenue within the state’s general fund by $4,330,384 in FY 2012-13 and by $5,396,460 in FY 2013-14. The bill holds harmless applicable revenue allocations to earmarked and/or restricted funds of the DPS.

**Explanation:** This bill updates provisions to agree with current accounting practices required of the Department of Motor Vehicles (DMV) as the appropriate entity to collect and distribute designated revenues following its separation from the Department of Public Safety (DPS). Section 8 revises current revenue distributions of the $15 fee to issue, transfer or duplicate a motor vehicle title under §56-19-420. Section 8 provisions would take effect three months after enactment.

We expect revisions to §56-19-420 would apply to ten months of collections in FY 2012-13. Based on historical data provided by the DMV, we estimate the bill would shift approximately $4,330,383 from Motor Vehicle License revenues within the general fund (GF) to earmarked funds of the DMV in FY 2012-13. This amount represents the balance of collections allotted to the GF under temporary law (Proviso 89.1 in current State Budget), as not otherwise allocated in permanent law under §56-19-420 (that being residual title fee proceeds other than combined collections for the first $1,000,000 directed to the GF and from equal $5 shares directed to the DMV and DPS). For the full year in FY 2013-14, it would shift approximately $5,396,460 from Motor Vehicle License revenues within the GF to earmarked funds of the DMV.

*Approved By:*

Frank A. Rainwater

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 38‑73‑470, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE DISPOSITION OF THE UNINSURED MOTORIST FUND, SO AS TO PROVIDE THAT THE PORTION THAT WAS FORMERLY PAID TO THE DEPARTMENT OF PUBLIC SAFETY MUST BE PAID TO THE DEPARTMENT OF MOTOR VEHICLES; TO AMEND SECTION 56‑1‑286, AS AMENDED, RELATING TO THE SUSPENSION OF A DRIVER’S LICENSE OR PERMIT TO CERTAIN PERSONS WHO DRIVE A MOTOR VEHICLE WITH AN UNLAWFUL ALCOHOL CONCENTRATION, SO AS TO MAKE TECHNICAL CHANGES, AND TO PROVIDE THAT THE PORTION OF THE FEE TO OBTAIN A TEMPORARY ALCOHOL LICENSE THAT WAS FORMERLY RETAINED BY THE DEPARTMENT OF PUBLIC SAFETY MUST BE DISTRIBUTED TO THE DEPARTMENT OF MOTOR VEHICLES; TO AMEND SECTION 56‑3‑3910, RELATING TO THE ISSUANCE OF “SHAG” SPECIAL LICENSE PLATES, SO AS TO REVISE THE BIENNIAL PERIOD IN WHICH THE LICENSE PLATE MUST BE ISSUED OR REVALIDATED; TO AMEND SECTION 56‑3‑5200, RELATING TO “SOUTH CAROLINA: FIRST IN GOLF” SPECIAL LICENSE PLATES, SO AS TO MAKE A TECHNICAL CHANGE; TO AMEND SECTION 56‑5‑2951, AS AMENDED, RELATING TO THE SUSPENSION OF A DRIVER’S LICENSE WHEN A DRIVER REFUSES TO SUBMIT TO TESTS TO DETERMINE HIS LEVEL OF ALCOHOL CONCENTRATION, SO AS TO MAKE A TECHNICAL CHANGE; TO AMEND SECTION 56‑10‑552, RELATING TO THE UNINSURED ENFORCEMENT FUND, SO AS TO PROVIDE THAT THIS FUND WHICH WAS FORMERLY DIRECTED TO THE DIRECTOR OF THE DEPARTMENT OF PUBLIC SAFETY MUST NOW BE DIRECTED TO THE DIRECTOR OF THE DEPARTMENT OF MOTOR VEHICLES AND USED BY THE DEPARTMENT OF MOTOR VEHICLES AND THE DEPARTMENT OF PUBLIC SAFETY; TO AMEND SECTION 56‑15‑420, RELATING TO THE PROMULGATION OF CERTAIN REGULATIONS BY THE DEPARTMENT OF PUBLIC SAFETY, SO AS TO PROVIDE THAT THESE REGULATIONS NOW WILL BE PROMULGATED BY THE DEPARTMENT OF MOTOR VEHICLES; TO AMEND SECTION 56‑19‑420, AS AMENDED, RELATING TO CERTAIN FEES FOR SERVICES OFFERED BY THE DEPARTMENT OF MOTOR VEHICLES, SO AS TO REVISE THE DISTRIBUTION OF THESE FEES; AND TO REPEAL ARTICLE 60, CHAPTER 3, TITLE 56 RELATING TO THE ISSUANCE OF “SHRINERS” SPECIAL LICENSE PLATES.

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

SECTION 1. Section 38‑73‑470 of the 1976 Code, as last amended by Act 324 of 2002, is further amended to read:

“Section 38‑73‑470. Two dollars of the yearly premium for uninsured motorist coverage is directed to be paid to the South Carolina Department of ~~Public Safety~~ Motor Vehicles to be placed on deposit with the State Treasurer in the ‘Uninsured Enforcement Fund’, payable on a quarterly basis, to provide for the costs of enforcing and administering the provisions of Article 3, Chapter 10, Title 56. Of the two dollars collected, eighty cents must be distributed to the South Carolina Highway Patrol and one dollar twenty cents must be ~~distributed to~~ retained by the Department of Motor Vehicles. Interest earned by the ‘Uninsured Fund’ must be retained by that fund. There is no requirement for an insurer or an agent to offer underinsured motorist coverage at limits less than the statutorily required bodily injury or property damage limits.”

SECTION 2. Section 56‑1‑286(K)(1) of the 1976 Code, as last amended by Act 201 of 2008, is further amended to read:

“(1) obtain a temporary alcohol license by filing with the ~~department~~ Department of Motor Vehicles a form for this purpose. A ~~one‑hundred‑dollar~~ one hundred dollar fee must be assessed for obtaining a temporary alcohol license. Twenty‑five dollars of the fee collected by the Department of Motor Vehicles must be ~~retained by~~ distributed to the Department of Public Safety for supplying and maintaining all necessary vehicle videotaping equipment. The remaining seventy‑five dollars must be placed by the Comptroller General into a special restricted account to be used by the Department of Motor Vehicles to defray its expenses. The temporary alcohol license allows the person to drive a motor vehicle without any restrictive conditions pending the outcome of the administrative hearing provided for in this section or the final decision or disposition of the matter; and”

SECTION 3. Section 56‑3‑3910 of the 1976 Code is amended to read:

“Section 56‑3‑3910. The Department of Motor Vehicles may issue a special commemorative motor vehicle license plate commemorating the fiftieth anniversary of the introduction of the State Dance, the Shag, in 1988 for use by owners on their private passenger motor vehicles. The biennial fee for the commemorative license plate is fifty dollars in addition to the regular motor vehicle registration fee prescribed by Article 5 of this chapter. This license plate must be of the same size and general design of regular motor vehicle license plates. The plate must be issued or revalidated ~~biennially for two years beginning December first and ending November thirtieth twenty‑four months later~~ for a biennial period which expires twenty‑four months from the month it was issued. License number ‘one’ for the Shag license plate is reserved for the president of the Columbia Shag Club in Richland County.”

SECTION 4. Section 56‑3‑5200(B) of the 1976 Code is amended to read:

“(B) The fees collected pursuant to this section must be distributed to a special ‘South Carolina: First In Golf’ fund established within and administered by the Department of Parks, Recreation and Tourism to promote the South Carolina Junior Golf Association. The distribution is thirty dollars to the ~~department~~ Department of Motor Vehicles and forty dollars to the fund.”

SECTION 5. Section 56‑5‑2951(B)(1) of the 1976 Code, as last amended by Act 201 of 2008, is further amended to read:

“(1) obtain a temporary alcohol license by filing with the Department of Motor Vehicles a form for this purpose. A one hundred dollar fee must be assessed for obtaining a temporary alcohol license. Twenty‑five dollars of the fee must be ~~retained by~~ distributed by the Department of Motor Vehicles to the Department of Public Safety for supplying and maintaining all necessary vehicle videotaping equipment. The remaining seventy‑five dollars must be placed by the Comptroller General into a special restricted account to be used by the Department of Motor Vehicles to defray its expenses. The temporary alcohol license allows the person to drive without any restrictive conditions pending the outcome of the administrative hearing provided for in subsection (F) or the final decision or disposition of the matter. If the suspension is upheld at the administrative hearing, the temporary alcohol license remains in effect until the Department of Motor Vehicles issues the hearing officer’s decision and sends notice to the person that he is eligible to receive a restricted license pursuant to subsection (H); and”

SECTION 6. Section 56‑10‑552(A) of the 1976 Code is amended to read:

“(A) All funds collected as provided in Section 38‑73‑470 must be directed to the director of the Department of ~~Public Safety~~ Motor Vehicles for the establishment and maintenance of a special fund, to be known as the ‘Uninsured Enforcement Fund’, to be used by the Department of Motor Vehicles and the Department of Public Safety for the purpose of enforcement and administration of Article 3, Chapter 10, Title 56.”

SECTION 7. Section 56‑15‑420 of the 1976 Code, as added by Act 9 of 2005, is amended to read:

“Section 56‑15‑420. The Department of ~~Public Safety~~ Motor Vehicles shall promulgate regulations to implement the provisions contained in this article.”

SECTION 8. Section 56‑19‑420 of the 1976 Code, as last amended by Act 353 of 2008, is further amended to read:

“Section 56‑19‑420. (A) The Department of Motor Vehicles shall charge fifteen dollars for:

(1) the issuance of a certificate of title;

(2) the transfer of a certificate of title; or

(3) the issuance of a duplicate certificate of title.

(B) ~~Five dollars of the fee~~ The fees contained in this section must be ~~placed in a special earmarked account by the Comptroller General and must be~~ distributed in the following manner:

(1) the first one million dollars must be credited to the general fund of the State to offset a portion of state individual income tax revenue not collected pursuant to the subsistence allowance allowed pursuant to Section 12‑6‑1140(6); ~~and~~

(2) ~~the remainder~~ five dollars of the fee must be allocated to the Department of Public Safety and used to support highway patrol programs; and

(3) five dollars of the fee and any fees collected above the first million dollars must be placed in a special earmarked account by the Comptroller General and must be distributed to the Department of Motor Vehicles and used to defray its operational expenses excluding any expenses relating to Project Phoenix.

~~(C)~~ ~~Notwithstanding any other provision of law, five dollars of the fee contained in this section must be placed in a special earmarked account by the Comptroller General and must be distributed to the Department of Motor Vehicles and used to defray its operational expenses excluding any expense relating to Project Phoenix.~~”

SECTION 9. Article 60, Chapter 3, Title 56 is repealed.

SECTION 10. The repeal or amendment by this act of any law, whether temporary or permanent or civil or criminal, does not affect pending actions, rights, duties, or liabilities founded thereon, or alter, discharge, release or extinguish any penalty, forfeiture, or liability incurred under the repealed or amended law, unless the repealed or amended provision shall so expressly provide. After the effective date of this act, all laws repealed or amended by this act must be taken and treated as remaining in full force and effect for the purpose of sustaining any pending or vested right, civil action, special proceeding, criminal prosecution, or appeal existing as of the effective date of this act, and for the enforcement of rights, duties, penalties, forfeitures, and liabilities as they stood under the repealed or amended laws.

SECTION 11. Sections 4 and 8 of this act take effect three months after approval by the Governor. The remainder of this act takes effect upon approval by the Governor.

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