**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 6 TO CHAPTER 1, TITLE 56 SO AS TO AUTHORIZE THE DEPARTMENT OF MOTOR VEHICLES TO ACCEPT UNCERTIFIED CHECKS FOR PAYMENT FOR PRODUCTS OR SERVICES ISSUED BY THE DEPARTMENT, TO ALLOW THE DEPARTMENT TO CONTRACT FOR CHECK VALIDATION SERVICES THAT VERIFY THE AVAILABILITY OF FUNDS IN THE UNDERLYING ACCOUNT, TO PROVIDE THAT THE DEPARTMENT MAY REFUSE TO PROVIDE A PERSON ANY PRODUCT OR SERVICE UNTIL THE PERSON HAS PAID ALL FEES OWED THE DEPARTMENT, TO PROVIDE THAT THE DEPARTMENT MAY CHARGE A THIRTY DOLLAR FEE TO COVER THE COSTS ASSOCIATED WITH THE COLLECTION OF FEES, TO PROVIDE THAT THE DEPARTMENT MAY CHARGE A PROCESSING FEE FOR THE USE OF CREDIT CARDS, AND TO PROVIDE THAT ALL PROCESSING FEES COLLECTED PURSUANT TO THIS ARTICLE MUST BE PLACED IN A SPECIAL RESTRICTED ACCOUNT TO BE USED BY THE DEPARTMENT TO DEFRAY ITS COSTS.

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

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

“Article 6

Methods of Payment for Department of Motor Vehicle Services

Section 56‑1‑1210. (A) The Department of Motor Vehicles in its discretion, may accept uncertified checks in payment for fees, taxes, and other charges for any product or service issued by the department.

(B) At its discretion, the department may contract with banks or vendors to guarantee collection of funds paid by uncertified check by the following methods:

(1) check validation services that verify the availability of funds in the underlying account; or

(2) electronic check collection services to withdraw check amounts from the underlying accounts at the time of presentment.

(C) The department may utilize different check processes in different offices, based on the history of check collection difficulties in various offices.

Section 56‑1‑1220. (A) If a customer fails to properly remit full payment for any product or service issued by the department, the department in the discretion of its director, may refuse to provide that person any product or service issued by the department, including reinstatement or renewal of driving or registration privileges, until the person has paid in full all fees owed the department. The person also shall pay to the department thirty dollars to cover the processing costs associated with the collection of the fees.

(B) If the department, in the discretion of its director, chooses to enforce this administrative action, no criminal penalties, such as suspension, may be levied against the individual. The department shall provide proper notice to the individual and upon written request, must make available to the individual the evidence of nonpayment upon which the department is basing its action. If the department cannot provide this evidence, then the department must remove the administrative stop from the customer’s record.

Section 56‑1‑1230. The department may charge customers an additional processing fee for the use of credit cards, up to the actual cost incurred by the department.

Section 56‑1‑1240. All processing fees collected pursuant to this article must be placed in a special restricted account by the Comptroller General to be used by the Department of Motor Vehicles to defray its costs.”

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

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