COMMITTEE REPORT

May 16, 2013

**H. 3907**

Introduced by Reps. Willis, Owens, Stringer, Daning, Brannon, Rivers, Kennedy, King, Mitchell, Putnam, Wells and Wood

S. Printed 5/16/13--S.

Read the first time May 1, 2013.

**THE COMMITTEE ON TRANSPORTATION**

To whom was referred a Bill (H. 3907) 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, etc., respectfully

**REPORT:**

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

LAWRENCE K. GROOMS for Committee.

**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 PROVIDE THAT THE DEPARTMENT MAY REFUSE TO PROVIDE A PERSON ANY PRODUCT OR SERVICE, EXCEPT AN IDENTIFICATION CARD, UNTIL THE PERSON HAS PAID ALL FEES OWED THE DEPARTMENT AS A RESULT OF A RETURNED CHECK, TO PROVIDE THAT THE DEPARTMENT MAY CHARGE A FEE SPECIFIED IN SECTION 34‑11‑70 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) In its discretion, the department may contract with banks or vendors to guarantee collection of funds paid by uncertified check.

Section 56‑1‑1220. (A) If a customer fails to properly remit full payment through noncertified funds for any product or service issued by the department, the department may take action on that customer at the discretion of its director. The department may refuse to provide that person any product or service issued by the department, including reinstatement or renewal of driving or registration privileges, until full payment for the product or service has been properly remitted by cash or certified funds. The person also shall pay to the department the fee specified in Section 34‑11‑70 to cover the processing costs associated with the collection of the fees. This subsection does not apply to the issuance of an identification card.

(B) If the department, in the discretion of its director, chooses to enforce an action pursuant to subsection (A) of this section, the department may not take additional action, such as suspension, cancellation, or revocation of a license, privilege, registration, license plate, decal or credential, for the failure to properly remit fees. This shall not limit the department’s ability to cancel, revoke or suspend a license, privilege, registration, license plate, decal or credential for another reason required by law. 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.

(C) Subsections (A) and (B) of this section shall not interfere with a bona fide sale of a motor vehicle by a dealer.

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.”

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

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