



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: H. 4548 As amended by House Labor, Commerce, and Industry on February 23, 2016
Author: Sandifer
Subject: Closing Fees on Motor Vehicle Sales Contract
Requestor: Senate Judiciary
RFA Analyst(s): Wren
Impact Date: February 29, 2016

Estimate of Fiscal Impact

	FY 2016-17	FY 2017-18
State Expenditure		
General Fund	\$0	\$0
Other and Federal	Up to \$10,500	\$0
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	Up to \$10,500	\$0
Local Expenditure	\$0	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

This bill would have no expenditure impact on the General Fund or Federal Funds. The expenditure impact on Other Funds would be up to \$10,500 annually.

This bill would have no revenue impact on the General Fund or Federal Funds. Other Funds revenue would increase up to \$10,500 annually.

Explanation of Fiscal Impact

Explanation of Amendment by the House Labor, Commerce, and Industry Committee on February 23, 2016

State Expenditure

This bill amends Section 37-2-307, which increases the annual registration fee from ten dollars to an amount not to exceed twenty-five dollars for motor vehicle dealers who charge closing fees. This fee is paid to the Department of Consumer Affairs. Prior to charging a closing fee, a motor vehicle dealer must provide written notice on the maximum amount of closing fee they intend to charge on an annual basis to the department. The department must review the amount of the closing fee for reasonableness. If the department determines that a closing fee is not reasonable, the department must issue a written order detailing their findings and may require the fee to be reduced or require the motor vehicle dealer to submit a new fee for review.

Department of Consumer Affairs. The department indicates that since this bill increases their responsibilities to administer and enforce motor vehicle dealer closing fees, the expenditure impact on Other Funds would be up to \$10,500 annually.

State Revenue

This bill amends Section 37-2-307, which increases the annual registration fee from ten dollars to an amount not to exceed twenty-five dollars for motor vehicle dealers who charge closing fees. This fee is paid to the Department of Consumer Affairs.

Based on data provided by the Department of Consumer Affairs, an average of 700 motor vehicle dealer filings are received annually. If the maximum twenty-five dollar fee is imposed, an additional \$10,500 would be generated in Other Funds revenue annually.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director