COMMITTEE REPORT

February 14, 2018

~~Indicates Matter Stricken~~

Indicates New Matter

**H. 4682**

Introduced by Rep. Willis

S. Printed 2/14/18--H.

Read the first time January 24, 2018.

**THE COMMITTEE ON EDUCATION AND PUBLIC WORKS**

To whom was referred a Bill (H. 4682) to amend Section 56‑9‑540, Code of Laws of South Carolina, 1976, relating to methods of providing proof of financial responsibility, so as to delete the, etc., respectfully

**REPORT:**

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

MERITA A. ALLISON for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Explanation of Fiscal Impact**

**Introduced on January 24, 2018**

**State Expenditure**

This bill deletes the options of presenting a bond or certificate of deposit of money or securities in lieu of an automobile insurance policy. Additionally, the bill repeals Sections 56-9-570 and 56-9-580, which establish proof of financial responsibility by the filing of a bond or a certificate of deposit of money or securities.

The Department of Motor Vehicles indicates that neither the certificate of deposit nor the bond were used more than once in the last twenty years as proof of financial responsibility. The provisions of this bill will require DMV to implement some programming changes to the auto-generated letters regarding proof of financial responsibility requirements. However, the expenses associated with these changes can be absorbed within current appropriations. Therefore, this bill will have no expenditure impact on the general fund, other funds, or federal funds.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND SECTION 56‑9‑540, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO METHODS OF PROVIDING PROOF OF FINANCIAL RESPONSIBILITY, SO AS TO DELETE THE FILING OF A BOND AND THE FILING OF A CERTIFICATE OF DEPOSIT OF MONEY OR SECURITIES AS METHODS OF ESTABLISHING PROOF OF FINANCIAL RESPONSIBILITY; AND TO REPEAL SECTIONS 56‑9‑570 AND 56‑9‑580 BOTH RELATING TO ESTABLISHING PROOF OF FINANCIAL RESPONSIBILITY BY THE FILING OF A BOND OR A CERTIFICATE OF DEPOSIT OF MONEY OR SECURITIES.

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

SECTION 1. Section 56‑9‑540 of the 1976 Code is amended to read:

“Section 56‑9‑540. Proof of financial responsibility when required under this chapter may be given by filing~~:~~

~~(1)~~ a certificate of insurance as provided in Section 56‑9‑550 or Section 56‑9‑560~~;~~

~~(2) A bond as provided in Section 56‑9‑570; or~~

~~(3) A certificate of deposit of money or securities as provided in Section 56‑9‑580~~.”

SECTION 2. Sections 56‑9‑570 and 56‑9‑580 of the 1976 Code are repealed.

SECTION 3. 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 4. This act takes effect upon approval by the Governor.

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