



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number: S. 0040 Amended by the Senate on March 31, 2021
Author: Grooms
Subject: State Highways
Requestor: House Education and Public Works
RFA Analyst(s): Griffith and Gardner
Impact Date: April 20, 2021

Fiscal Impact Summary

This bill will have no impact on the Department of Transportation (DOT) because any additional expenditures will be managed within its existing appropriations. The Revenue and Fiscal Affairs Office (RFA) does not anticipate any expenditure increase for the Judicial Department as a result of administering the revised penalties for obstructing a state highway.

This legislation may increase revenue to the Judicial Department due to increased fines for obstructing a state highway or its ditches and drainage opening. However, since there is no data with which to estimate how many days a person may repeat the behavior of obstruction, the revenue impact on the Judicial Department is undetermined.

RFA surveyed all coastal counties and municipalities in the state. Of the four municipalities that responded, the only one that currently has a paid parking program is the City of Folly Beach. The municipality reports that the amended bill will have no impact on their current revenues, provided that DOT determines that restricted parking on state highway facilities in Folly Beach is necessary.

Explanation of Fiscal Impact

Amended by the Senate on March 31, 2021

State Expenditure

This bill, as amended, requires a municipality to get prior approval from DOT before establishing, altering, or restricting the use of parking facilities on a state highway facility. Additionally, parking on state highway facilities located in beach communities may only be restricted if DOT determines that the restrictions are necessary and issues an encroachment permit.

The amended bill specifies that communities eligible for beach renourishment funds must provide free public beach parking but may also offer paid public beach parking, so long as the revenues from such parking are used for the operation, maintenance, preservation, or funding of public beach parking facilities, beach access, beach renourishment, traffic and parking enforcement, first responders, sanitation, and litter control and removal for beaches.

The bill also changes the penalty for a person who willfully obstructs a highway or a ditch or drainage opening along any highway. In current law, the penalty is no more than \$100 or imprisonment for no more than 30 days. This legislation will change the penalty to no more than \$100 per day, imprisonment for no more than 30 days, or both.

Department of Transportation. DOT indicates that any additional expenditures related to approving a change in parking on a state highway facility will be managed within its existing appropriations. Therefore, there is no impact on the agency.

Judicial Department. RFA does not anticipate expenditure impact to the Judicial Department as a result of administering the revised penalties for obstructing a state highway; however, we have reached out to the Judicial Department regarding this issue and will update this impact if additional information becomes available.

State Revenue

This bill may increase revenue to the Judicial Department due to increased fines for obstructing a state highway or its ditches and drainage opening. However, since there is no data with which to estimate how many days a person may repeat the behavior of obstruction, the revenue impact on the Judicial Department is undetermined.

Local Expenditure

N/A

Local Revenue

The amended bill requires beach communities that are eligible for beach renourishment funds to include free public beach parking on state highway facilities. These beach communities may also include paid public beach parking on state highway facilities, providing that the parking revenues be used for the operation, maintenance, preservation, or funding of public beach parking facilities; beach access, maintenance, and renourishment; traffic and parking enforcement; first responders; sanitation; and litter control and removal for beaches.

RFA surveyed all coastal counties and municipalities in the state. Of the four municipalities that responded, the only one that currently has a paid parking program is the City of Folly Beach. The municipality reports that the amended bill will have no impact on their current revenues, provided that DOT determines that restricted parking on state highway facilities in Folly Beach is necessary.

Updated for Additional Agency Response on April 6, 2021

Introduced on January 12, 2021

State Expenditure

This bill requires a municipality to get approval from DOT before establishing, altering, or restricting the use of parking facilities on a state highway facility. Additionally, parking on state highway facilities located on barrier islands shall be free and may only be restricted if DOT determines that the restrictions are necessary.

The bill also requires the governmental entity responsible for maintaining a portion of a public highway to remove an obstruction as soon as possible, and it changes the penalty for a person who willfully obstructs a highway or a ditch or drainage opening along any highway. In current law, the penalty is no more than \$100 or imprisonment for no more than 30 days. This legislation will change the penalty to no more than \$100 per day, imprisonment for no more than 30 days, or both.

Department of Transportation. DOT indicates that any additional expenditures related to approving a change in parking on a state highway facility will be managed within its existing appropriations. Therefore, there is no impact on the agency.

Judicial Department. This bill changes the penalty for a person who willfully obstructs a highway or a ditch or drainage opening along any state highway. In current law, the penalty is no more than \$100 or imprisonment for no more than 30 days. This legislation will change the penalty to no more than \$100 per day, imprisonment for no more than 30 days, or both. The Revenue and Fiscal Affairs Office has contacted the Judicial Department but does not expect any expenditure impact to the department based on these changes.

State Revenue

This bill may increase revenue to the Judicial Department due to increased fines for obstructing a state highway or its ditches and drainage opening. However, since there is no data with which to estimate how many days a person may repeat the behavior of obstruction, the revenue impact on the Judicial Department is undetermined.

Local Expenditure

N/A

Local Revenue

The bill requires parking on state highway facilities located on barrier islands to be free and may only be restricted if DOT determines that the restrictions are necessary. This may decrease revenue to coastal counties and municipalities if they currently charge for parking on state highway facilities. The Revenue and Fiscal Affairs Office has surveyed all coastal counties and municipalities of the state. Charleston County does not expect any fiscal impact, and the City of Isle of Palms, Town of Edisto Beach, and Town of Sullivan's Island do not currently have paid parking. The City of Folly Beach collected roughly \$444,000 in net paid parking revenue in FY 2019-20. This revenue is used to maintain public amenities along the beach and to support beach front services such as litter removal, waste and sanitation services, public safety and emergency services, and beach access and parking lot maintenance. This bill would remove that revenue.

This section of the fiscal impact statement has been updated to include local government responses.

Introduced on January 12, 2021

State Expenditure

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This bill may increase revenue to the Judicial Department due to increased fines for obstructing a state highway or its ditches and drainage opening. However, since there is no data with which to estimate how many days a person may repeat the behavior of obstruction, the revenue impact on the Judicial Department is undetermined.

Local Expenditure

N/A

Local Revenue

The bill requires parking on state highway facilities located on barrier islands to be free and may only be restricted if DOT determines that the restrictions are necessary. This may decrease revenue to coastal counties and municipalities if they currently charge for parking on state highway facilities. The Revenue and Fiscal Affairs Office has surveyed coastal counties and municipalities of the state, and if additional information becomes available, we will update this fiscal impact.



Frank A. Rainwater, Executive Director