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Indicates New Matter

AMENDED

May 10, 2022

**S. 1237**

Introduced by Senators McLeod, Matthews, Shealy, Senn, Gustafson and Malloy

S. Printed 5/10/22--H.

Read the first time April 19, 2022.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Explanation of Fiscal Impact**

**State Expenditure**

**Section 1.** This section of the amended bill allows DMV to issue ‘USC 2017 and 2022 Women’s Basketball National Champions’ special license plates to owners of PPMVs or motorcycles. There is currently a ‘USC 2017 Women’s Basketball National Champions’ license plate being produced for PPMVs, but there is no motorcycle license plate for this plate class. Further, DMV must issue the redesigned ‘2017 and 2022’ license plate to each registrant of the ‘2017 only’ plate once its ten-year lifecycle has ended.

DMV reports that it costs $7.90 per end-of-life plate replacement, and as of April 1, 2022, there were 94 active registrations of ‘USC 2017 Women’s Basketball National Champions’ license plates. Therefore, the department’s expenditures will increase by approximately $742 no earlier than FY 2026-27 to replace the existing ‘2017 only’ special license plate with the redesigned ‘2017 and 2022’ plate.

Additionally, DMV intends to charge a $350 fee for the initial redesign of the ‘USC 2017 and 2022 Women’s Basketball National Champions’ special license plate. Further, if a motorcycle plate is requested for the redesigned plate, DMV will charge an initial $6,800 fee pursuant to Section 56-3-8100, which specifies that the individual or organization seeking issuance of the plate will be responsible for payment of the fee. It is unclear as to who will be responsible for payment of the $350 redesigning fee.

**Section 2.** This section of the amended bill allows DMV to issue US Space Force license plates for PPMVs and motorcycles to active or prior service members. These plates are exempt from the $6,800 application fee normally required in Section 56-3-8100(A). Therefore, DMV will be responsible for the cost of producing each new license plate, which is $800 per plate. The agency indicates that it can manage these costs within its existing appropriations if the plates are requested. Therefore, this section of the amended bill will have no expenditure impact on DMV.

**Section 4.** This section of the amended bill allows DMV to issue Meritorious Service Medal license plates for PPMVs and motorcycles to active or private service members who received the award. These plates are exempt from the $6,800 application fee normally required in Section 56-3-8100(A)(1). Therefore, DMV will be responsible for the cost of producing each new license plate, which is $800 per plate. The agency indicates that it can manage these costs within its existing appropriations if the plates are requested. Therefore, this section of the bill will have no expenditure impact on DMV.

**Section 5.** This section of the amended bill adds the existing Support Our Troops license plates for PPMVs and motorcycles to the current list of special license plates that show support for military-related organizations in Section 56-3-14980. The agency reports that since these plates currently exist, there is no expenditure impact on DMV from this section.

**State Revenue**

**Section 1.** This section of the amended bill allows DMV to collect the regular registration fee pursuant to Article 5, Chapter 3, of Title 56, plus an additional $70 fee for the issuance of the ‘USC 2017 and 2022 Women’s Basketball National Champions’ special license plate. Of that additional $70 fee, the amount equal to the cost of the production and distribution of the license plates is deposited into the State Highway Fund, which are other funds of DOT. DMV estimates that it costs approximately $10.82 to produce and distribute a special license plate initially. The remaining $59.18 of the $70 fee will be distributed to the fund established for USC pursuant to Section 56-3-3710(B) to be used for the purposes provided in that section. Every two years after the initial production and distribution, the cost to produce and distribute a special license plate will be $4.77, and the remaining $65.23 will be distributed to the USC fund. Since this is a redesigned special license plate, it is unknown how many additional plates will be requested, and therefore, the amount of revenue generated from the fee is undetermined.

The funds received for the production and distribution of the motorcycle special license plate will be distributed to the State Highway Fund. Additionally, the $350 fee for the redesign of the PPMV license plate will be distributed to the State Highway Fund. Therefore, assuming that a special plate is requested for motorcycles, other funds revenue of DOT will increase by at least $7,150.

**Sections 2 and 4.** The new license plates in this section are exempt from the biennial registration fee and special plate fee required in Section 56-3-8100(D). These fees are apportioned to the Plate Replacement Fund of DMV, the Infrastructure Maintenance Trust Fund (IMTF) and the State Highway Fund of DOT, and the SCTIB. Since the amended bill exempts the license plates from these fees, there is no impact on general fund revenue, other funds revenue of DOT, other funds revenue of DMV, or revenue of the SCTIB.

**Section 3.** This section eliminates the motor vehicle registration fee for disabled veterans with a service-connected disability who apply for a special purpose license plate. These veterans will be subject to this fee beginning May 6, 2022, pursuant to Act 38 of 2021. Prior to this enactment, disabled veterans were not required to pay the motor vehicle registration fee when obtaining a disabled veteran’s special license plate. This section of the amended bill also requires DMV to refund any registration fees collected from these disabled veterans from May 6, 2022, to the effective date of this bill. Therefore, this section of the bill will have no revenue impact.

**Section 5.** The license plates in this section are subject to the biennial registration fee and special plate fee required in Section 56-3-8100(D). These fees are apportioned to the Plate Replacement Fund of DMV, the IMTF and the State Highway Fund of DOT, and the SCTIB. However, since these plates currently exist and are being produced, there is no impact on general fund revenue, other funds revenue of DOT, other funds revenue of DMV, or revenue of the SCTIB.

**Section 8.** This section repeals the Members of Foreign Consulates license plates for motor vehicles. These plates are subject to the motor vehicle registration fee set forth in Title 56, Chapter 3, Article 5 and an additional $30 special plate fee. DMV reports that this plate has never been produced or issued. Since none of these plates have been issued, the repeal of this section of the bill will have no impact on general fund revenue, other funds revenue of DOT, other funds revenue of DMV, or revenue of the SCTIB.

**Amended by the Senate on April 7, 2022**

**State Expenditure**

This amended bill allows DMV to issue ‘USC 2017 and 2022 Women’s Basketball National Champions’ special license plates to owners of PPMVs or motorcycles. There is currently a ‘USC 2017 Women’s Basketball National Champions’ license plate being produced for PPMVs, but there is no motorcycle license plate for this plate class. Further, DMV must issue the redesigned ‘2017 and 2022’ license plate to each registrant of the ‘2017 only’ plate once its ten-year lifecycle has ended.

DMV reports that it costs $7.90 per end-of-life plate replacement, and as of April 1, 2022, there were 94 active registrations of ‘USC 2017 Women’s Basketball National Champions’ license plates. Therefore, the department’s expenditures will increase by approximately $742 no earlier than FY 2026-27 to replace the existing ‘2017 only’ special license plate with the redesigned ‘2017 and 2022’ plate.

Additionally, DMV intends to charge a $350 fee for the initial redesign of the ‘USC 2017 and 2022 Women’s Basketball National Champions’ special license plate. Further, if a motorcycle plate is requested for the redesigned plate, DMV will charge an initial $6,800 fee pursuant to Section 56-3-8100, which specifies that the individual or organization seeking issuance of the plate will be responsible for payment of the fee. It is unclear as to who will be responsible for payment of the $350 redesigning fee.

**State Revenue**

This bill allows DMV to collect the regular registration fee pursuant to Article 5, Chapter 3, of Title 56, plus an additional $70 fee. Of that additional $70 fee, the amount equal to the cost of the production and distribution of the license plates is deposited into the State Highway Fund, which are other funds of DOT. DMV estimates that it costs approximately $10.82 to produce and distribute a special license plate initially. The remaining $59.18 of the $70 fee will be distributed to the fund established for USC pursuant to Section 56-3-3710(B) to be used for the purposes provided in that section. Every two years after the initial production and distribution, the cost to produce and distribute a special license plate will be $4.77, and the remaining $65.23 will be distributed to the USC fund. Since this is a redesigned special license plate, it is unknown how many additional plates will be requested, and therefore, the amount of revenue generated from the fee is undetermined.

The funds received for the production and distribution of the motorcycle special license plate will be distributed to the State Highway Fund. Additionally, the $350 fee for the redesign of the PPMV license plate will be distributed to the State Highway Fund. Therefore, assuming that a special plate is requested for motorcycles, other funds revenue of DOT will increase by at least $7,150.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND ARTICLE 142, CHAPTER 3, TITLE 56, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE ISSUANCE OF “UNIVERSITY OF SOUTH CAROLINA 2017 WOMEN’S BASKETBALL NATIONAL CHAMPIONS” SPECIAL LICENSE PLATES BY THE DEPARTMENT OF MOTOR VEHICLES, SO AS TO ALSO PROVIDE FOR THE ISSUANCE OF “UNIVERSITY OF SOUTH CAROLINA 2022 WOMEN’S BASKETBALL NATIONAL CHAMPIONS” SPECIAL LICENSE PLATES BY THE DEPARTMENT.

Amend Title To Conform

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

SECTION 1. Article 142, Chapter 3, Title 56 of the 1976 Code is amended to read:

“Article 142

‘University of South Carolina 2017 and 2022 Women’s Basketball National Champions’ Special License Plates

Section 56‑3‑14210. (A)(1) The Department of Motor Vehicles shall issue ‘University of South Carolina 2017 and 2022 Women’s Basketball National Champions’ special license plates to owners of private passenger motor vehicles, as defined in Section 56‑3‑630, or motorcycles as defined in Section 56‑3‑20, registered in their names.

(B) The University of South Carolina may submit to the department for its approval the emblem, seal, or other symbol it desires to be used for its respective special license plate.

(C) The requirements for production, collection, and distribution of fees for the plate are those set forth in Section 56‑3‑8100. The biennial fee for this plate is the regular registration fee set forth in Article 5, Chapter 3 of this title plus an additional fee of seventy dollars. Any portion of the additional seventy‑dollar fee not set aside to defray costs of production and distribution must be distributed to the fund established for the University of South Carolina pursuant to Section 56‑3‑3710(B) used for the purposes provided in that section.

(D) License number ‘1’ for the ‘University of South Carolina 2017 and 2022 Women’s Basketball National Champions’ license ~~plate is~~ plates are reserved for the University of South Carolina Women’s Basketball Coach.

(E) The department must issue to registrants who have a license plate commemorating only the 2017 Women’s Basketball National Championship the license plate commemorating both the 2017 and 2022 national championship once the 2017 license plate reaches the end of its ten-year lifecycle. This subsection does not apply to registrants who choose to switch to the ‘2017 and 2022’ license plate on their own.”

SECTION 2. Section 56‑3‑14970(A) of the 1976 Code, as added by Act 38 of 2021, is amended to read:

“(A) The department may issue the following special license plates reflective of military service for private passenger vehicles and motorcycles to active or prior service members associated with the following military components or designations:

(1) Veteran or Veteran wheelchair if the registrant qualifies for handicapped parking pursuant to Section 56‑3‑1910(H)

(2) Female Veteran or Female Veteran wheelchair if the registrant qualifies for handicapped parking pursuant to Section 56‑3‑1910(H)

(3) Combat‑Related Disabled Veteran ‑ the registrant must have a combat‑related disability as evidenced by a letter from the U.S. Department of Veterans Affairs defining a combat and operations‑related disability

(4) Army

(5) Marine Corps

(6) Navy

(7) Air Force

(8) Coast Guard

(9) US Space Force

(10) National Guard‑ Army

~~(10)~~(11) National Guard‑ Air

~~(11)~~(12) National Guard‑ Retired

~~(12)~~(13) US Military Reserve‑ Army

~~(13)~~(14) US Military Reserve‑ Marine Corps

~~(14)~~(15) US Military Reserve‑ Navy

~~(15)~~(16) US Military Reserve‑ Air Force

~~(16)~~(17) US Military Reserve‑ Coast Guard

~~(17)~~(18) US Armed Forces Retired

~~(18)~~(19) State Guard.”

SECTION 3. Section 56-3-14940(B) of the 1976 Code as added by Act 38 of 2021, is amended to read:

“(B) The qualifying service member or veteran must be one of the registrants of the vehicle. No more than three license plates may be issued to the award recipient. License plates for medals specified in subsection (A) are ~~subject to~~ exempt from the regular motor vehicle registration fee contained in Article 5, Chapter 3, Title 56 ~~but no additional specialty plate fee~~. These special license plates must be issued or revalidated for a biennial period which expires twenty‑four months from the month they are issued. Any registration fees collected pursuant to this section from May 6, 2022, to the effective date of this act shall be refunded by the Department of Motor Vehicles.”

SECTION 4. Section 56-3-14960(A) of the 1976 Code, as added by Act 38 of 2021, is amended to read:

“(A) The department may issue the following special license plates reflective of meritorious service for private passenger vehicles and motorcycles to active or prior service members who received the following awards:

(1) Air Medal

(2) Bronze Star (service)

(3) Meritorious Service Medal.”

SECTION 5. Section 56-3-14980(A) of the 1976 Code, as added by Act 38 of 2021, is amended to read:

“(A) The department may issue the following types of special license plates showing support for military‑related private organizations for private passenger vehicles and motorcycles to members of the general public that will financially benefit the following organizations:

(1) Blue Star Family

(2) Veterans of Foreign Wars

(3) American Legion

(4) Disabled American Veterans

(5) American Veterans

(6) Marine Corps League

(7) Chief Petty Officer

(8) Support Our Troops.”

SECTION 6. Section 56-3-14990 of the 1976 Code, as added by Act 38 of 2021, is amended to read:

“Upon the death of an award recipient, a surviving spouse may apply to the department for a license plate issued under the provisions of Sections ~~56‑3‑14710, 56‑3‑14720, or 56‑3‑14730(A)(3)~~ 56-3-14910, 56-3-14920, or 56-3-14930(A)(3). The surviving spouse may apply to the department to transfer a license plate previously issued to the award recipient under the provisions of Section ~~56‑3‑14710, 56‑3‑14720, or 56‑3‑14730(A)(3)~~ 56-3-14910, 56-3-14920, or 56-3-14930(A)(3) pursuant to Section 56‑3‑210(G). The surviving spouse must turn the plate into the department when the surviving spouse is no longer eligible for surviving spouse military benefits.”

SECTION 7. Section 56-3-15000 of the 1976 Code, as added by Act 38 of 2021, is amended to read:

“License plates first issued to registrants under previous ~~award criteria~~ requirements are not subject to the revised ~~award documentation~~ requirements that a person must ~~provide the department upon applying~~ meet to apply for a plate specified in this article.”

SECTION 8. Article 20, Chapter 3, Title 56 is repealed.

SECTION 9. SECTION 1 of this act takes effect upon approval by the Governor. SECTIONS 2, 3, 4, 5, 6, 7, and 8 of this act take effect May 6, 2022.

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