



**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.*

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**Bill Number:** H. 3374 Introduced on January 10, 2023  
**Author:** Rutherford  
**Subject:** Automatic License Plate Readers  
**Requestor:** House Judiciary  
**RFA Analyst(s):** Griffith  
**Impact Date:** April 5, 2024

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### **Fiscal Impact Summary**

This bill allows certain entities to use an automatic license plate reader system for various purposes. A governmental entity authorized to use an automatic license plate reader system shall not sell trade, or exchange captured plate data, except for law enforcement agencies that capture evidence of an offense. A violation constitutes a misdemeanor, for which a convicted person must be imprisoned not more than one year.

The bill will have no expenditure impact on the South Carolina Law Enforcement Division (SLED) or Judicial since any expenses can be managed with existing appropriations. The bill will also have no expenditure impact on the Department of Motor Vehicles (DMV) since the bill does not operationally or fiscally impact the agency.

The expenditure impact of the bill on the Department of Public Safety (DPS) and the Department of Transportation (DOT) is pending, contingent upon responses from the agencies.

The overall expenditure impact of this bill on local governments is undetermined. The Revenue and Fiscal Affairs Office (RFA) contacted all county governments and the Municipal Association of South Carolina (MASC) regarding the expenditure impact of the bill and received responses from two counties and the MASC. Both responding counties indicate that the bill will have no expenditure impact. Likewise, MASC reports that the bill will have no expenditure impact on municipalities that do not currently use automatic license plate readers since the bill is permissive. MASC further indicates that municipalities that currently use automatic plate readers could incur significant costs if captured plate data is required to be updated to SLED's database from a SLED-certified vendor and the municipality's vendor is not certified. However, the amount of the expense cannot be quantified at this time. Additionally, any increase in expenses for local governments that may choose to use automatic license plate readers is also undetermined. Additionally, while no responses were received from local governments regarding the violation of the provisions of the bill, RFA anticipates that the bill could increase the population of local jails due to incarcerations. However, the number of violations that may occur are unknown.

As this bill creates a new offense, this may result in an increase of General Fund, Other Funds, and local fine revenue. However, as the number of such offenses and the resulting fines and fees that might occur in a given year is unknown, the revenue impact is undetermined.

## **Explanation of Fiscal Impact**

### **Introduced on January 10, 2023**

#### **State Expenditure**

This bill allows certain entities to use an automatic license plate reader system for various purposes. DPS and DOT may use automatic license plate readers for the electronic verification of data to provide more efficient movement of commercial vehicles on a state highway. The system must be installed at an entrance ramp of a weight station facility. Automatic readers may also be used by state and local law enforcement agencies for the comparison of captured license plate data with data held by DMV, SLED, DPS, and the National Crime Information Center. A governmental entity authorized to use an automatic license plate reader system shall not sell, trade, or exchange captured plate data, except for law enforcement agencies that capture evidence of an offense. A violation constitutes a misdemeanor, for which a convicted person must be imprisoned not more than one year.

**South Carolina Law Enforcement Division.** The bill will have no expenditure impact on SLED because the agency can manage any expenses within existing appropriations.

**Judicial.** Judicial reports that implementation of the bill may result in an increase in general sessions court caseloads, which can be managed using existing appropriations. Therefore, the bill will result in no expenditure impact for Judicial.

**Department of Motor Vehicles.** This bill will have no expenditure impact on DMV since the bill does not operationally or fiscally impact the agency.

**Department of Public Safety.** The expenditure impact of the bill on DPS is pending, contingent upon a response from the agency.

**Department of Transportation.** The expenditure impact of the bill on DOT is pending, contingent upon a response from the agency.

#### **State Revenue**

This bill allows certain entities to use an automatic license plate reader system for various purposes. This bill may result in an increase in the fines and fees collected in court. Court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, RFA anticipates this bill may result in an undetermined impact to General Fund and Other Funds revenue due to the increase in fines and fees collections in court.

#### **Local Expenditure**

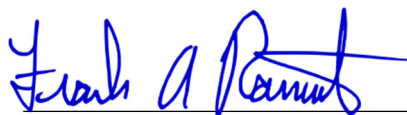
This bill allows local law enforcement agencies to use an automatic license plate reader system for the comparison of captured license plate data with data held by DMV, SLED, DPS, and

National Crime Information Center. RFA contacted all county governments and the MASC regarding the expenditure impact of the bill and received responses from two counties and the MASC. Both Dorchester and Horry counties indicate that the bill will have no expenditure impact. Likewise, MASC reports that the bill will have no expenditure impact on municipalities that do not currently use automatic license plate readers since the bill is permissive. MASC further indicates that municipalities that currently use automatic plate readers could incur significant costs if captured plate data is required to be updated to SLED's database from a SLED-certified vendor and the municipality's vendor is not certified. However, the amount of the expense cannot be quantified at this time. Additionally, any increase in expenses for local governments that may choose to use automatic license plate readers is also undetermined. For reference, twenty-two municipalities currently use automatic license plate reader systems.

Additionally, while no responses were received from local governments regarding the violation of the provisions of the bill, RFA anticipates that the bill could increase the population of local jails due to incarcerations. However, the number of violations that may occur are unknown.

### **Local Revenue**

This bill allows certain entities to use an automatic license plate reader system for various purposes. This bill may result in an increase in the fines and fees collected in court. Court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, RFA anticipates this bill may result in an undetermined impact to local revenue due to the increase in fines and fees collections in court.



Frank A. Rainwater, Executive Director