



**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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<b>Bill Number:</b>	S. 0036	Introduced on January 10, 2023
<b>Author:</b>	Hutto	
<b>Subject:</b>	Driver's License Suspended Due to DUI	
<b>Requestor:</b>	House Judiciary	
<b>RFA Analyst(s):</b>	Griffith and Gardner	
<b>Impact Date:</b>	April 21, 2023 - Updated for Additional Agency Response	

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### **Fiscal Impact Summary**

This bill allows certain offenders whose license has been suspended for driving a motor vehicle under the influence to enroll in the Ignition Interlock Device (IID) Program, which is managed by the Department of Probation, Parole and Pardon Services (PPP). The Department of Motor Vehicles (DMV) expects expenses for programming changes related to the IID Program to total \$79,200 in FY 2023-24. However, the agency anticipates being able to manage these expenses within existing appropriations.

PPP reports that implementation of the bill will result in the need to hire 4.0 FTEs to manage the expanded IID Program. The cost to hire the additional staff will be \$277,521 in the first year of implementation and \$255,521 each year thereafter. Since the provisions of the bill that apply to the expansion of the IID Program take effect one year after approval by the Governor, the initial expenditures could occur in either FY 2023-24 or FY 2024-25, or both. PPP indicates that these expenditures will be offset by an increase in the collection of program fees. The agency will require an increase in Other Funds authorization for these expenses.

The bill requires certain individuals to enroll in the IID Program in lieu of obtaining a route-restricted license or a provisional license. It also allows certain individuals to enroll in the program rather than having a license suspended. Thus, the number of people who enroll in the IID Program will increase. The total number is unknown, but PPP estimates that at least 12,900 new drivers may be added each year. Additionally, the bill allows PPP to charge an additional fee for manufacturers who provide the certified device to drivers. The bill does not specify the amount of the fee. Although the overall impact on Other Funds revenue of PPP is undetermined, it is expected to increase by at least \$387,000 per year. These funds will be used to offset the expenses.

The reduction in revenue to the General Fund for use by the Department of Public Safety (DPS), to Other Funds of the Department of Transportation (DOT), and to Other Funds of DPS due to the repeal of route-restricted and provisional licenses is undetermined.

*This fiscal impact statement has been updated to include a response from PPP.*

## **Explanation of Fiscal Impact**

**Updated for Additional Agency Response on April 21, 2023**

**Introduced on January 10, 2023**

### **State Expenditure**

#### **Section 1**

This section of the bill allows a person under the age of twenty-one whose driver's license, permit, or nonresident operating privilege has been suspended or denied by DMV to enroll in the IID Program in lieu of serving the remainder of the suspension or denial. Within thirty days of the issuance of the notice of suspension, the person may request a contested case hearing before the Office of Motor Vehicle Hearings, enroll in the IID Program, and obtain a temporary alcohol license with an ignition interlock restriction. The ignition interlock restriction must be maintained on the temporary alcohol license for three months.

#### **Section 2**

This section allows a person whose driver's license or privilege to operate a motor vehicle has been revoked permanently for an offense that occurred prior to October 1, 2014, excluding those convicted of a felony driving under the influence of alcohol or another controlled substance, to petition the circuit court in the county of his residence for reinstatement of his driver's license under certain conditions.

#### **Section 4**

This section allows a habitual offender to operate a motor vehicle if the person is enrolled in the IID Program.

#### **Section 7**

This section requires manufacturers of ignition interlock devices to apply to the PPP for certification of devices provided to South Carolina drivers who are subject to the ignition interlock restriction. PPP may charge an initial annual fee on the application and a subsequent fee for every year the manufacturer continues to provide the certified device to South Carolina drivers. The fees shall be remitted to the Ignition Interlock Device Fund for use by PPP in support of the IID Program.

#### **Section 8**

This section of the bill allows a person, within thirty days of the issuance of the notice of suspension of the person's driver's license, permit, or nonresident operating privilege, to request a contested case hearing before the Office of Motor Vehicle Hearings, enroll in the IID Program, and obtain a temporary alcohol license with an ignition interlock restriction. The ignition interlock restriction must be maintained on the temporary alcohol license for three months.

#### **Section 9**

This section repeals provisional licenses issued to a first offender of driving a motor vehicle while under the influence of alcohol or other drugs. This will increase the number of people who will have to obtain an IID because first offenders will no longer have the option to obtain a provisional license.

**Department of Motor Vehicles.** DMV reports that making changes to their systems to implement the provisions of the bill will require significant changes to the violations and suspensions system. Thus, the agency estimates that it will take approximately 4.5 months for three programmers to program and test the systems. At \$110 per hour per programmer and 40 hours per week, the total expenditure impact to the agency will be \$79,200. However, DMV indicates that this amount will be managed within existing appropriations.

**Department of Probation, Parole and Pardon Services.** This bill increases the number of persons who may enroll in the IID Program, which is managed by PPP, and will require the agency to hire three additional program coordinators and one administrative hearing officer to manage the expansion of the program. These new positions will result in a recurring Other Funds expenditure impact of \$255,521 (\$224,981 in salary/fringe and \$30,540 in operating expenses), as well as a non-recurring Other Funds expenditure impact of \$22,011 in (\$10,500 in office furniture/computer costs and \$11,511 in vehicle lease/equipment costs). This will result in a total increase in Other Funds expenditures of \$277,521 in the first year of implementation and \$255,521 each year thereafter. Since the provisions of the bill that apply to the expansion of the IID Program take effect one year after approval by the Governor, the initial expenditures could occur in either FY 2023-24 or FY 2024-25, or both. However, these costs will be offset by an increase in Other Funds revenue due to new fees that will be collected as part of the expanded IID Program. The agency will require an increase in Other Funds authorization for these expenses. See State Revenue section below.

## **State Revenue**

### **Section 1**

This section of the bill could increase the number of Ignition Interlock Restricted driver's licenses issued by DMV. The agency reports that in FY 2021-22, there were 398 first offenses for individuals under twenty-one years of age. Since the suspensions either last for three or six months, RFA does not expect these 398 individuals to be eligible for an IID. However, there may be individuals who commit an offense and meet the requirements by the time the bill is enacted.

Additionally, there may be an increase in the number of people who enroll in the IID Program administered by PPP since the bill will allow individuals under twenty-one years of age to obtain a temporary alcohol license with an ignition interlock restriction. The fee for a temporary alcohol license is \$100, of which \$25 is distributed to the DPS for supplying and maintaining all necessary vehicle videotaping equipment. The remaining \$75 is placed in the State Highway Fund, which are Other Funds of DOT. DMV issued 4,558 temporary alcohol licenses in FY 2021-22. The number of persons who will obtain a temporary alcohol license upon enactment of the bill is unknown. As such, the revenue impact on Other Funds of DPS and Other Funds of DOT is undetermined.

PPP estimates that approximately 715 drivers could be added to the IID Program per month, resulting in a total of 8,580 drivers per year for this section of the bill. The agency collects \$30

per driver enrolled in the program. Thus, PPP anticipates Other Funds revenue to increase by approximately \$257,000 in FY 2024-25 for this section of the bill.

*This section of the fiscal impact statement has been updated to include a response from PPP.*

#### **Section 4**

This section of the bill allows a habitual offender to enroll in the IID Program. DMV reports that there were 3,291 suspensions to habitual offenders in FY 2021-22. Without knowing how many individuals will choose to enroll in the IID Program, the revenue impact of this section on Other Funds of PPP is undetermined.

#### **Section 7**

This section of the bill requires manufacturers of ignition interlock devices to apply to PPP for certification of devices provided to South Carolina drivers who are subject to the ignition interlock restriction. PPP may charge an initial annual fee on the application and a subsequent fee for every year the manufacturer continues to provide the certified device to South Carolina drivers. The fees shall be remitted to the Ignition Interlock Device Fund for use by PPP in support of the IID Program. PPP reports that it currently charges annual device certification fees of \$5,000 and that three manufacturers have certified devices with PPP. Any increase in the number of manufacturers will increase Other Funds revenue of PPP by \$5,000 per manufacturer per year. Additionally, Other Funds revenue of PPP will increase by an undetermined amount for the initial fee that can be charged for manufacturers. The amount of the fee is not specified in the bill. Therefore, the total increase in Other Funds revenue of PPP is undetermined for this section of the bill.

*This section of the fiscal impact statement has been updated to include a response from PPP.*

#### **Section 8**

Currently, a person who has had his driver's license suspended, had the issuance of a license denied, has refused to submit to a test for alcohol or drugs, or has had an alcohol concentration of fifteen one-hundredths of one percent or more may apply for a restricted license that limits the person's driving route to his place of employment and/or education or to an Alcohol Drug Safety Action Program class. The fee for a restricted license is \$100, of which \$20 is directed to the General Fund and \$80 of which is directed to the State Highway Fund, which are Other Funds of DOT. This section of the bill removes this route-restricted driver's license language, which could reduce revenue from restricted license fees. In FY 2021-22, DMV issued 625 route-restricted licenses and distributed approximately \$21,400 to the State Highway Fund and approximately \$5,400 to the General Fund. Since the number of route-restricted licenses that would have been issued is unknown, the revenue impact on the General Fund and to Other Funds of DOT is undetermined.

#### **Section 9**

This section repeals provisional licenses issued to a first offender of driving a motor vehicle while under the influence of alcohol or other drugs. The fee for a provisional driver's license is \$100, of which \$95 is credited to the General Fund for use by DPS and \$5 is placed in the State

Highway Fund, which are Other Funds of DOT. In FY 2021-22, DMV issued 1,264 such provisional licenses and distributed approximately \$121,600 to the General Fund for use by DPS and \$6,300 to the State Highway Fund from provisional licenses. Since the number of provisional licenses that would have been issued to first-time offenders prior to the bill is unknown, the reduction in revenue to the General Fund and Other Funds of DOT is undetermined.

Additionally, this section increases the number of individuals who may enroll in the IID Program instead of obtaining a provisional license. PPP estimates that approximately 360 drivers will be added to the IID Program each month under this section of the bill, resulting in a total of 4,320 drivers per year. The agency collects \$30 per driver enrolled in the program. Thus, PPP anticipates Other Funds revenue to increase by approximately \$130,000 in FY 2024-25 for this section of the bill.

*This section of the fiscal impact statement has been updated to include a response from PPP.*

**Local Expenditure**

N/A

**Local Revenue**

N/A

**Introduced on January 10, 2023**

**State Expenditure**

**Section 1**

This section of the bill allows a person under the age of twenty-one whose driver's license, permit, or nonresident operating privilege has been suspended or denied by DMV to enroll in the IID Program in lieu of serving the remainder of the suspension or denial. Within thirty days of the issuance of the notice of suspension, the person may request a contested case hearing before the Office of Motor Vehicle Hearings, enroll in the IID Program, and obtain a temporary alcohol license with an ignition interlock restriction. The ignition interlock restriction must be maintained on the temporary alcohol license for three months.

**Section 2**

This section allows a person whose driver's license or privilege to operate a motor vehicle has been revoked permanently for an offense that occurred prior to October 1, 2014, excluding those convicted of a felony driving under the influence of alcohol or another controlled substance, to petition the circuit court in the county of his residence for reinstatement of his driver's license under certain conditions.

**Section 4**

This section allows a habitual offender to operate a motor vehicle if the person is enrolled in the IID Program.

## **Section 7**

This section requires manufacturers of ignition interlock devices to apply to the PPP for certification of devices provided to South Carolina drivers who are subject to the ignition interlock restriction. PPP may charge an initial annual fee on the application and a subsequent fee for every year the manufacturer continues to provide the certified device to South Carolina drivers. The fees shall be remitted to the Ignition Interlock Device Fund for use by PPP in support of the IID Program.

## **Section 8**

This section of the bill allows a person, within thirty days of the issuance of the notice of suspension of the person's driver's license, permit, or nonresident operating privilege, to request a contested case hearing before the Office of Motor Vehicle Hearings, enroll in the IID Program, and obtain a temporary alcohol license with an ignition interlock restriction. The ignition interlock restriction must be maintained on the temporary alcohol license for three months.

## **Section 9**

This section repeals provisional licenses issued to a first offender of driving a motor vehicle while under the influence of alcohol or other drugs. This will increase the number of people who will have to obtain an IID because first offenders will no longer have the option to obtain a provisional license.

**Department of Motor Vehicles.** DMV reports that making changes to their systems to implement the provisions of the bill will require significant changes to the violations and suspensions system. Thus, the agency estimates that it will take approximately 4.5 months for three programmers to program and test the systems. At \$110 per hour per programmer and 40 hours per week, the total expenditure impact to the agency will be \$79,200. However, DMV indicates that this amount will be managed within existing appropriations.

**Department of Probation, Parole and Pardon Services.** The IID Program is managed by PPP. The expenditure impact on PPP is pending, contingent upon a response from the agency.

## **State Revenue**

### **Section 1**

This section of the bill could increase the number of Ignition Interlock Restricted driver's licenses issued by DMV. The agency reports that in FY 2021-22, there were 398 first offenses for individuals under twenty-one years of age. Since the suspensions either last for three or six months, RFA does not expect these 398 individuals to be eligible for an IID. However, there may be individuals who commit an offense and meet the requirements by the time the bill is enacted.

Additionally, there may be an increase in the number of people who enroll in the IID Program administered by PPP since the bill will allow individuals under twenty-one years of age to obtain a temporary alcohol license with an ignition interlock restriction. The fee for a temporary alcohol license is \$100, of which \$25 is distributed to the DPS for supplying and maintaining all necessary vehicle videotaping equipment. The remaining \$75 is placed in the State Highway

Fund, which are Other Funds of DOT. DMV issued 4,558 temporary alcohol licenses in FY 2021-22.

Both the number of persons who will choose an IID instead of a license suspension and the number who will obtain a temporary alcohol license upon enactment of the bill is unknown. As such, the revenue impact on Other Funds of DPS and Other Funds of DOT is undetermined.

#### **Section 4**

This section of the bill allows a habitual offender to enroll in the IID Program. DMV reports that there were 3,291 suspensions to habitual offenders in FY 2021-22. Without knowing how many individuals will choose to enroll in the IID Program, the revenue impact of this section on Other Funds of PPP is undetermined.

#### **Section 7**

Section 7 of the bill requires manufacturers of ignition interlock devices to apply to the Department of Probation, Parole and Pardon Services (PPP) for certification of devices provided to South Carolina drivers who are subject to the ignition interlock restriction. PPP may charge an initial annual fee on the application and a subsequent fee for every year the manufacturer continues to provide the certified device to South Carolina drivers. The fees shall be remitted to the Ignition Interlock Device Fund for use by PPP in support of the IID Program. The revenue impact on PPP is pending, contingent upon a response from the agency.

#### **Section 8**

Currently, a person who has had his driver's license suspended, had the issuance of a license denied, has refused to submit to a test for alcohol or drugs, or has had an alcohol concentration of fifteen one-hundredths of one percent or more may apply for a restricted license that limits the person's driving route to his place of employment and/or education or to an Alcohol Drug Safety Action Program class. The fee for a restricted license is \$100, of which \$20 is directed to the General Fund and \$80 of which is directed to the State Highway Fund, which are Other Funds of DOT. This section of the bill removes this route-restricted driver's license language, which could reduce revenue from restricted license fees. In FY 2021-22, DMV issued 625 route-restricted licenses and distributed approximately \$21,400 to the State Highway Fund and approximately \$5,400 to the General Fund. Since the number of route-restricted licenses that would have been issued is unknown, the revenue impact on the General Fund and to Other Funds of DOT is undetermined.

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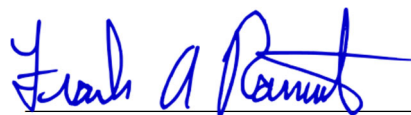
unknown, the reduction in revenue to the General Fund and Other Funds of DOT is undetermined.

**Local Expenditure**

N/A

**Local Revenue**

N/A



Frank A. Rainwater, Executive Director