



# 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>	H. 3856	Amended by House Education and Public Works on April 2, 2025
<b>Subject:</b>	Department of Motor Vehicles	
<b>Requestor:</b>	House Education and Public Works	
<b>RFA Analyst(s):</b>	Griffith	
<b>Impact Date:</b>	April 28, 2025	

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### Fiscal Impact Summary

This amended bill allows the Department of Motor Vehicles (DMV) to issue a registration and license plate on a permanent basis for a rental trailer, aligns the definition of a bus to the definition used in Title 12, and allows an applicant for an identification card who is five years or older to voluntarily disclose their blood type. The bill also amends the fees for obtaining a driver instructor permit when connected to a driver training school at certain high schools, based on the time period of the permit. Further, the amended bill removes the requirement that DMV must randomly test driver's license applicants who completed the examination through driver training schools.

Additionally, the amended bill lowers the number of motor vehicle sales that a motor vehicle dealer must make before becoming licensed from twenty to fifteen and changes the license time period and fee for a wholesale motor vehicle auction business from twelve to thirty-six months and from \$50 to \$150, respectively. The bill also increases the DMV point violation of a dealer who issues a second temporary plate to a purchaser or who issues any temporary license plate to a person unauthorized to have the plate from two points to four points. Further, the bill allows DMV to notify a dealer of the suspension of his license by certified mail with electronic tracking.

The amended bill charges DMV with additional responsibilities that the agency will accomplish with existing staff and appropriations. Therefore, there is no expenditure impact to DMV.

This amended bill amends the licensing time period and fee for a driver instructor connected to a driver training school at a private, parochial, or public high school, as well as the licensing time period and fee for a wholesale motor vehicle auction business. While the change in the timing will not affect total revenue that is allocated to the General Fund, it could have an undetermined impact on the timing of the revenue.

This amended bill will increase Other Funds revenue of DMV and Other Funds revenue of the South Carolina Transportation Infrastructure Bank (SCTIB) due to the inclusion of rental trailers in the list of trailer that may be permanently registered and licensed.

## **Explanation of Fiscal Impact**

**Amended by House Education and Public Works on April 2, 2025**

### **State Expenditure**

This amended bill allows DMV to issue a registration and license plate on a permanent basis for a rental trailer, aligns the definition of a bus to the definition used in Title 12, and allows an applicant for an identification card who is five years or older to voluntarily disclose their blood type. The bill also amends the fees for obtaining a driver instructor permit when connected to a driver training school at certain high schools, based on the time period of the permit. Further, the amended bill removes the requirement that DMV must randomly test driver's license applicants who completed the examination through driver training schools.

Additionally, the amended bill lowers the number of motor vehicle sales that a motor vehicle dealer must make before becoming licensed from twenty to fifteen and changes the license time period and fee for a wholesale motor vehicle auction business from twelve to thirty-six months and from \$50 to \$150, respectively. The bill also increases the DMV point violation of a dealer who issues a second temporary plate to a purchaser or who issues any temporary license plate to a person unauthorized to have the plate from two points to four points. Further, the bill allows DMV to notify a dealer of the suspension of his license by certified mail with electronic tracking.

The amended bill charges DMV with additional responsibilities that the agency will accomplish with existing staff and appropriations. Therefore, there is no expenditure impact to DMV.

### **State Revenue**

This amended bill specifies the fees for obtaining a driver instructor permit according to the following schedule:

- \$20 for each permit issued with a validity period of one to twelve months,
- \$40 for each permit issued with a validity period of thirteen to twenty-four months,
- \$60 for each permit issued with a validity period of twenty-five to thirty-six months, and
- \$80 for each permit issued with a validity period of thirty-seven to forty-eight months.

Currently, the fee is \$20 for an annual permit, which expires at the date of the driver training school's license expiration. A license for a driver training school is valid for forty-eight months after the license is issued. The bill would allow a driver instructor to obtain a permit for the remaining validity period of the driver training school's license. While the change in the timing will not affect total revenue that is allocated to the General Fund, it could have an undetermined impact on the timing of the revenue.

Additionally, the amended bill amends the license time period and fee for a wholesale motor vehicle auction business from twelve to thirty-six months and from \$50 to \$150, respectively. While the change in the timing will not affect total revenue that is allocated to the General Fund, it could have an undetermined impact on the timing of the revenue.

This amended bill allows DMV to issue a registration and permanent license plate to the owner of a rental trailer, for which the fee is \$75. The SCTIB receives \$73 of the fee pursuant to

Section 56-3-785, and the remaining \$2 is placed into a special restricted account to be used by DMV for the costs associated with the production and issuance of new license plates, pursuant to Section 56-3-1230. Therefore, the inclusion of rental trailers in the list of trailers that may be registered and licensed on a permanent basis may increase Other Funds revenue of DMV and Other Funds revenue of the SCTIB.

**Local Expenditure**

N/A

**Local Revenue**

N/A



Frank A. Rainwater, Executive Director