

# 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.

<b>Bill Number:</b>	S. 0371 Introduced on February 20, 2025
Subject:	Mobile Driver's License
Requestor:	Senate Transportation
RFA Analyst(s):	Griffith and Gardner
Impact Date:	March 7, 2025

## **Fiscal Impact Summary**

This bill directs the Department of Motor Vehicles (DMV) to create and issue mobile drivers' licenses and mobile special identification cards to individuals who voluntarily request mobile cards and who meet all requirements for issuance of a driver's license or identification card. The department must ensure the integrity and security of the mobile cards and shall charge a fee to offset the cost of providing the mobile drivers' licenses and mobile special identification cards.

DMV indicates that the costs to implement the provisions of the bill are unknown at this time. DMV conducted a study in FY 2022-23 and determined that the agency will need a new modernized IT system in place prior to implementing a mobile card process. DMV notes that once it secures a provider for the new system, the agency will have more information with which to determine a cost to implement the process for issuing mobile cards. If the new system cannot meet the requirements for mobile cards, DMV will need to procure a vendor to integrate a mobile card platform.

The State Law Enforcement Division (SLED) indicates that any increase in workload due to the provisions of the bill can be managed with existing staff and resources.

The Department of Public Safety (DPS) indicate that this bill will have no expenditure impact since it does not impose additional responsibilities on the agency. Likewise, Judicial indicates that the bill will have no expenditure impact since it does not impose additional responsibilities on the court system.

Once mobile drivers' licenses and mobile identification cards are issued, DMV expects that the fees charged will offset the costs to administer the mobile cards. Therefore, there will be no overall fiscal impact to the agency after initial implementation.

The expenditure impact on local governments is undetermined. The Revenue and Fiscal Affairs Office (RFA) surveyed the counties and contacted the Municipal Association of South Carolina (MASC) as to the potential expenditure impact of the bill and received a response from Horry County and MASC. Horry County indicates that the provisions of the bill may require additional equipment in police vehicles, law enforcement offices, court offices, and jails to validate mobile driver's licenses and identification cards but cannot quantify the costs at this time. Likewise,

MASC indicates that this bill may require municipal offices to update software or purchase new equipment to integrate mobile driver's licenses and identification cards into existing systems.

## **Explanation of Fiscal Impact**

#### Introduced on February 20, 2025 State Expenditure

This bill directs DMV to create and issue mobile drivers' licenses and mobile special identification cards to individuals who voluntarily request mobile cards and who meet all requirements for issuance of a driver's license or identification card. The department must ensure the integrity and security of the mobile cards and shall charge a fee to offset the cost of providing the mobile drivers' licenses and mobile special identification cards.

**Department of Motor Vehicles.** DMV indicates that the costs to implement the provisions of the bill are unknown at this time. DMV conducted a study in FY 2022-23 and determined that the agency will need a new modernized IT system in place prior to implementing a mobile card process. DMV notes that once it secures a provider for the new system, the agency will have more information with which to determine a cost to implement the process for issuing mobile cards. If the new system cannot meet the requirements for mobile cards, DMV will need to procure a vendor to integrate a mobile card platform.

**Department of Public Safety.** There will be no expenditure impact to DPS since the bill does not impose additional responsibilities on the agency.

**State Law Enforcement Division.** There will be no expenditure impact to SLED since any increase in workload can be managed with existing staff and resources.

**Judicial.** There will be no expenditure impact to Judicial since the bill does not impose additional responsibilities on the court system.

#### State Revenue

This bill allows DMV to set a fee for the issuance of mobile drivers' licenses and mobile identification cards. While the bill will increase Other Funds revenue of DMV once the agency is able to undertake the project, the fees collected for issuance of the mobile driver's licenses and identification cards will offset the costs to administer the mobile cards.

**Local Expenditure** N/A

Local Revenue N/A

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