~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

February 14, 2018

**H. 4618**

Introduced by Reps. Willis, Elliott and Allison

S. Printed 2/14/18--H.

Read the first time January 16, 2018.

**THE COMMITTEE ON EDUCATION AND PUBLIC WORKS**

To whom was referred a Bill (H. 4618) to amend Section 56‑3‑2320, as amended, Code of Laws of South Carolina, 1976, relating to the issuance and use of dealer and wholesaler license plates, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

MERITA A. ALLISON for Committee.

**A** **BILL**

TO AMEND SECTION 56‑3‑2320, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE ISSUANCE AND USE OF DEALER AND WHOLESALER LICENSE PLATES, SO AS TO REDUCE THE MINIMUM NUMBER OF MOTOR VEHICLE SALES A DEALER MUST MAKE BEFORE HE MAY BE ISSUED A DEALER PLATE AND THE NUMBER OF MOTOR VEHICLES HE MUST SELL BEFORE HE MAY BE ISSUED ADDITIONAL DEALER PLATES, AND TO REDUCE THE NUMBER OF MOTOR VEHICLES THAT MUST BE SOLD BY A DEALER PARTICIPATING IN A MANUFACTURER PROGRAM TO OBTAIN ADDITIONAL PLATES.

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

SECTION 1. Section 56‑3‑2320(A)(1) and (2) of the 1976 Code, as last amended by Act 57 of 2017, is further amended to read:

“(1) Upon application being made and the required fee being paid to the Department of Motor Vehicles, the department may issue dealer license plates to a licensed motor vehicle dealer. The license plates, notwithstanding other provisions of this chapter to the contrary, may be used exclusively on motor vehicles owned by, assigned, or loaned for test driving purposes to the dealer when operated on the highways of this State by the dealer, its corporate officers, its employees, a prospective purchaser of the motor vehicle, or a person whose vehicle is being serviced or repaired by the dealer. The use by a prospective purchaser is limited to seven days, and the dealer shall provide the prospective purchaser with a dated demonstration certificate. A dealer license plate may be used by a person whose vehicle is being serviced or repaired by the dealership, provided that the vehicle displaying the license plate is part of a manufacturer program and given to the person by the dealer at no charge to the consumer. The use of a dealer license plate by the consumer for service and repair is limited to thirty days. The demonstration certificate for a prospective customer must be approved by the department. Dealer plates must not be used to operate wreckers or service vehicles in use by the dealer nor to operate vehicles owned by the dealer that are leased or rented by the public. No dealer plates may be issued by the department unless the dealer furnishes proof in a form acceptable to the department that he has a retail business license as required by Chapter 36, Title 12 and has made at least ~~twenty~~ fifteen sales of motor vehicles in the twelve months preceding his application for a dealer plate. The sales requirement may be waived by the department if the dealer has been licensed for less than one year. For purposes of this section, the transfer of ownership of a motor vehicle between the same individual or corporation more than one time is considered as only one sale. Multiple transfer of motor vehicles between licensed dealers for the purpose of meeting eligibility requirements for motor vehicle dealer plates is prohibited.

(2) A dealer may be issued two plates for the first fifteen vehicles sold during the preceding year and one additional plate for each fifteen vehicles sold beyond the initial ~~twenty~~ fifteen during the preceding year. A dealer participating in a manufacturer program may be issued two additional plates for each fifteen vehicles sold beyond the initial ~~twenty~~ fifteen during the preceding year. For good cause shown, the department in its discretion may issue extra plates. If the dealer has been licensed less than one year, the department shall issue a number of license plates based on an estimated number of sales for the coming year. The department may increase or decrease the number of plates issued based on actual sales made.”

SECTION 2. This act takes effect upon approval by the Governor.

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