

Bill Number:

SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT (803)734-0640 • RFA.SC.GOV/IMPACTS

H. 3267 Introduced on January 10, 2017

Author: McKnight

Subject: NFL License Plates

Requestor: House Education and Public Works

RFA Analyst(s): Wren

Impact Date: April 7, 2017

Estimate of Fiscal Impact

	FY 2017-18	FY 2018-19
State Expenditure		
General Fund	Undetermined	\$0
Other and Federal	Undetermined	\$0
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	Undetermined	\$0
Local Expenditure	\$0	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

The expenditure impact for the Department of Motor Vehicles is undetermined as the number of special license plates that will be requested is unknown. However, the department may retain funds from the fees collected for the special plates to defray costs. This bill would have no revenue impact on the General Fund or Federal Funds. The revenue impact on Other Funds is undetermined.

Explanation of Fiscal Impact

Introduced on January 10, 2017 State Expenditure

This bill authorizes the Department of Motor Vehicles (DMV) to issue National Football League (NFL) special license plates. The fee for the new NFL plates is set at \$70 biennially, in addition to the regular motor vehicle license plate fee. Notwithstanding the provisions in Sections 56-3-8000 and 56-3-8100, DMV must receive 200 prepaid applications for an NFL team's respective special license plate or a deposit of \$4,000 from the individual or organization seeking issuance of an NFL team's respective plate prior to production and distribution of the special license plate. If a deposit of \$4,000 is made by an individual or organization seeking issuance of an NFL team's respective license plate, DMV must refund the \$4,000 once an equivalent amount of license plate fees is collected for the NFL team's license plate. If the equivalent amount of fees is not collected within four years of the first issuance of the license plate, DMV must retain the deposit. Additionally, DMV is authorized to retain funds to defray the expenses of producing the special license plates. If DMV receives less than 300 biennial applications and renewals for a

particular NFL team's special license plate, the department may choose not to produce additional special license plates in that series.

Currently, pursuant to Section 56-3-8100, DMV must receive \$6,800 from the individual or organization seeking issuance of a special license plate prior to the production and distribution of the plate. The \$6,800 must be allocated to the State Highway Fund. Additionally, an amount equal to the expenses of producing and administering the special license plate must be allocated to the State Highway Fund. Further, if DMV receives less than 300 biennial applications and renewals for a particular license plate, the department must not produce additional special license plates in that series.

The actual increase in expenses to DMV is undetermined because data is unavailable from which to make a projection of how many of the plates may be requested. However, DMV is authorized to retain funds to defray the expenses of producing the NFL special license plates.

State Revenue

This bill authorizes DMV to issue NFL special license plates. The fee for the new NFL plates is set at \$70 biennially, in addition to the regular motor vehicle license plate fee. Notwithstanding the provisions in Sections 56-3-8000 and 56-3-8100, DMV must receive 200 prepaid applications for an NFL team's respective special license plate or a deposit of \$4,000 from the individual or organization seeking issuance of an NFL team's respective plate prior to production and distribution of the special license plate. If a deposit of \$4,000 is made by an individual or organization seeking issuance of an NFL team's respective license plate, DMV must refund the \$4,000 once an equivalent amount of license plate fees is collected for the NFL team's license plate. If the equivalent amount of fees is not collected within four years of the first issuance of the license plate, DMV must retain the deposit. Additionally, DMV is authorized to retain funds to defray the expenses of producing the special license plates. The fees collected in excess of the cost of producing the license plates must be distributed to the United Way. Since this is a new plate, Other Funds revenue to DMV would increase by the cost of producing the plate plus any deposits made by individuals or organizations seeking issuance of an NFL team's special license plate. The actual increase in Other Funds revenue to DMV is undetermined because data is unavailable from which to make a projection of how many of the plates may be requested.

Local Expenditure

N/A

Local Revenue

N/A

Frank A. Rainwater, Executive Director