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the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

<b>Bill Number:</b>	H. 4570 Amended by House Education and Public Works Public Safety
	Subcommittee on February 1, 2022
Author:	Calhoon
Subject:	US Space Force Military Service Designation for Special License Plates
Requestor:	House Education and Public Works
RFA Analyst(s):	Griffith
Impact Date:	February 28, 2022

## **Fiscal Impact Summary**

This bill, as amended, allows the Department of Motor Vehicles (DMV) to issue US Space Force special license plates to active or prior service members and Meritorious Service Medal plates to active or prior service members who received the award. The bill also adds the existing plate for Support Our Troops to the list of special plates that show support for military-related organizations in Section 56-3-14980. Additionally, the amended bill repeals the special license plate for Members of Foreign Consulates. Further, the bill exempts qualifying disabled veterans from the motor vehicle registration fee in Article 5, Chapter 3, Title 56.

This amended bill will have no impact to General Fund expenditures of DMV because the agency can manage the cost to produce the new US Space Force and Meritorious Service Medal license plates within its existing appropriations. Additionally, since the Support Our Troops plates are currently being produced and issued, there is no expenditure impact to the agency.

Because the new license plates are exempt from motor vehicle registration and special plate fees, there will be no increase in revenue. There will also be no decrease in revenue from exempting qualifying disabled veterans from the registration fee because this is current practice of DMV. Lastly, the repeal of the Members of Foreign Consulates license plate will have no revenue impact because none of these plates have been produced or issued. Therefore, there is no impact on General Fund revenue, Other Funds revenue of the Department of Transportation (DOT), Other Funds revenue of DMV, or revenue of the South Carolina Transportation Infrastructure Bank (SCTIB).

# **Explanation of Fiscal Impact**

# Amended by House Education and Public Works Public Safety Subcommittee on February 1, 2022

### State Expenditure

**Section 1.** This section of the bill allows DMV to issue US Space Force license plates for private passenger motor vehicles and motorcycles to active or prior service members. These plates are exempt from the \$6,800 application fee normally required in Section 56-3-8100(A). Therefore, DMV will be responsible for the cost of producing each new license plate, which is

\$800 per plate. The agency can manage these costs within its existing appropriations if the plates are requested. Therefore, this section of the bill will have no expenditure impact on DMV.

Section 3. This section of the amended bill allows DMV to issue Meritorious Service Medal license plates for private passenger motor vehicles and motorcycles to active or private service members who received the award. These plates are exempt from the 6,800 application fee normally required in Section 56-3-8100(A)(1). Therefore, DMV will be responsible for the cost of producing each new license plate, which is 800 per plate. The agency can manage these costs within its existing appropriations if the plates are requested. Therefore, this section of the bill will have no expenditure impact on DMV.

**Section 4.** This section of the amended bill adds the existing Support Our Troops license plates for private passenger motor vehicles and motorcycles to the current list of special license plates that show support for military-related organizations in Section 56-3-14980. The agency reports that since these plates currently exist, there is no expenditure impact on DMV from this section.

#### **State Revenue**

**Sections 1 and 3.** The new license plates in this section are exempt from the biennial registration fee and special plate fee required in Section 56-3-8100(D). These fees are apportioned to the Plate Replacement Fund of DMV, the Infrastructure Maintenance Trust Fund (IMTF) and the State Highway Fund of DOT, and the SCTIB. Since the bill exempts the license plates from these fees, there is no impact on General Fund revenue, Other Funds revenue of DOT, Other Funds revenue of DMV, or revenue of the SCTIB.

**Section 2.** This section exempts qualifying disabled veterans from the motor vehicle registration fee contained in Article 5, Chapter 3, Title 56. Pursuant to Section 56-3-260, \$16 of each biennial registration fee is credited to the Infrastructure Maintenance Trust Fund (IMTF), which is Other Funds of DOT. The remainder of each registration fee is placed into the state highway account of the SCTIB pursuant to Section 56-3-910. DMV indicates that disabled veterans are currently exempt from registration fees. Since the agency is complying with the requirements of the legislation, this section will have no impact on Other Funds revenue of DOT or revenue of the SCTIB.

**Section 4.** The license plates in this section are subject to the biennial registration fee and special plate fee required in Section 56-3-8100(D). These fees are apportioned to the Plate Replacement Fund of DMV, the IMTF and the State Highway Fund of DOT, and the SCTIB. However, since these plates currently exist and are being produced, there is no impact on General Fund revenue, Other Funds revenue of DOT, Other Funds revenue of DMV, or revenue of the SCTIB.

**Section 7.** This section repeals the Members of Foreign Consulates license plates for motor vehicles. These plates are subject to the motor vehicle registration fee set forth in Title 56, Chapter 3, Article 5 and an additional \$30 special plate fee. DMV reports that this plate has never been produced or issued. Since none of these plates have been issued, the repeal of this

section of the bill will have no impact on General Fund revenue, Other Funds revenue of DOT, Other Funds revenue of DMV, or revenue of the SCTIB.

**Local Expenditure** N/A

**Local Revenue** N/A

#### Introduced on January 11, 2022 State Expenditure

This bill allows DMV to issue US Space Force license plates for private passenger motor vehicles or motorcycles to active or prior service members. These plates are exempt from the \$6,800 application fee normally required in Section 56-3-8100(A). Therefore, DMV will be responsible for the cost of producing each new license plate, which is \$800 per plate. The agency will manage these costs within its existing appropriations if the plates are requested.

#### State Revenue

The new license plates in this bill are exempt from the biennial registration fee and special plate fee required in Section 56-3-8100(D). These fees are apportioned to the Plate Replacement Fund of DMV, the Infrastructure Maintenance Trust Fund and the State Highway Fund of DOT, and the State Transportation Infrastructure Bank. Since the bill exempts the license plates from these fees, there is no impact on General Fund revenue, Other Funds revenue of DOT, Other Funds revenue of DMV, or revenue of the State Transportation Infrastructure Bank.

**Local Expenditure** N/A

**Local Revenue** N/A

Director