

Statement of Estimated State Revenue Impact

Date: March 28, 2011

Bill Number: H. B. 3731

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Committee Requesting Impact: House E&PW

Bill Summary

A bill to amend Section 56-27-30, Code of Laws of South Carolina, 1976, relating to the term and cost of a professional housemoving license, so as to revise the annual renewal fee; and to amend Section 57-3-130, as amended, relating to the Department of Transportation's special permits that authorize a person to operate or move a vehicle that exceeds a certain size, so as to provide that the department may determine the maximum speeds at which permitted loads may operate, to provide that for a load traveling under police escort, the escort officer may exercise discretion when temporarily moving out of the traveled way, and to provide an additional impact fee for loads that exceed five hundred thousand pounds.

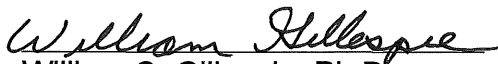
REVENUE IMPACT ^{1/}

This bill is expected to raise restricted funds of the State Highway Fund within the Department of Transportation (DOT) by \$32,000 in FY 2011-12. The bill would not impact General Fund revenue.

Explanation

This bill authorizes the DOT to charge a new impact fee on the entire gross vehicle weight for transporting loads in excess of 500,000 pounds in this State. This Additional Megaload Impact Fee would be set at a rate of five cents (\$.05) per 1,000 pounds (lbs.) per mile traveled. All proceeds from this new fee would be allocated to the State Highway Fund within DOT. The bill also amends language in Section 56-27-30 to conform an obsolete fee reference to the \$100 fee for an annual House Moving License in effect since July 1, 2008 under Section 57-3-130.

According to records maintained by the DOT, an average of seven loads annually would apply to the new "megaload fee" to transport loads in excess of 500,000 pounds. Based on an average load of 816,285 pounds for an average distance traveled of 112 miles, we estimate a total gross weight of approximately 5,714,000 pounds would be subject to the megaload fee of five cents per 1,000 lbs. per mile in FY 2011-12. Thus, multiplying $5,714 \times \$0.05 \times 112 = \$31,998$, as rounded to \$32,000. This bill therefore is expected to raise restricted funds of the State Highway Fund within the DOT by \$32,000 in FY 2011-12. Since the megaload fee is allotted in full to agency restricted funds, it would not impact state General Fund revenue in FY 2011-12.


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^{1/} This statement meets revenue impact requirements of Section 2-7-71 for a state impact by BEA, Section 2-7-76 for a local impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by Office of Economic Research (OER).