Statement of Estimated State Revenue Impact

Date: May 7, 2013

Bill Number: S.B. 576

Author: Shealy

Committee Requesting Impact: Senate Transportation

Bill Summary
A bill to amend Section 56-1-140 of the 1976 Code, relating to veteran designation on driver's licenses, to remove the one dollar fee retained by the Department of Motor Vehicles.

REVENUE IMPACT
This bill is expected to reduce earmarked funds of the Department of Motor Vehicles (DMV) by $13,500 in FY 2013-14. The bill would have no impact on state General Fund revenue.

Explanation
This bill eliminates the $1 fee charged to be issued a motor vehicle driver's license in this State with designation as a Veteran imprinted on the front side, which provides verification of a person's status as a military veteran of a branch of the United States Armed Forces. All fee proceeds go to earmarked funds of the DMV.

Pursuant to Act 147 of 2012, the DMV implemented a veteran designation program in August of 2012. A total of $8,032 in fees has been recorded during September-March period of FY 2012-13. Annualizing partial year receipts to a full fiscal year would yield approximately $13,500 in total fees in FY 2013-14. We therefore expect adoption of the bill would reduce fee allocations to earmarked funds of the DMV by $13,500 in FY 2013-14. Since no fee proceeds are currently allocated to the state General Fund, the bill would not impact state General Fund revenue in FY 2013-14.

Frank A. Rainwater
Chief Economist

Analyst: Di Biase

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).