



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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<b>Bill Number:</b>	H. 3359	Amended by House Education and Public Works Motor Vehicle Subcommittee on January 29, 2019
<b>Author:</b>	Yow	
<b>Subject:</b>	Driver's License	
<b>Requestor:</b>	House Education and Public Works	
<b>RFA Analyst(s):</b>	Griffith	
<b>Impact Date:</b>	February 6, 2019	

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### **Fiscal Impact Summary**

This bill as amended will have no expenditure impact on the Department of Motor Vehicles (DMV) since any modifications to forms and changes in process can be managed within current appropriations.

This bill is expected to reduce revenue of the State Highway Fund of the Department of Transportation (DOT) by approximately \$1,200 in FY 2019-20 and each year thereafter for removing the fee collected by DMV for a veteran designation on an identification card.

### **Explanation of Fiscal Impact**

**Amended by House Education and Public Works Motor Vehicle Subcommittee on January 29, 2019**

#### **State Expenditure**

This bill as amended allows DMV to issue a driver's license or an identification card with a veteran designation to an applicant who can provide one of three forms of proof. Currently, the applicant must provide a United States Department of Defense discharge certificate (DD Form 214) that shows a characterization of service or discharge status of honorable or general under honorable conditions and establishes the person's qualifying military service in the United States Armed Forces. However, the bill adds two other forms of proof an applicant may provide: a Veterans Identification Card (VIC) or a National Guard Report of Separation and Record of Service (NGB Form 22) that shows a characterization of service or discharge status of honorable or general under honorable conditions and establishes qualifying military service of at least twenty years in the National Guard.

DMV indicates that any modifications to current forms and changes in process can be managed within current appropriations. Therefore, the bill will have no expenditure impact on the agency.

#### **State Revenue**

The amended bill deletes the \$1 fee which was charged to applicants to obtain a veteran designation on the front of new, renewed, or replacement driver's licenses. In addition, this amendment removes the reference to driver's licenses within subsection 56-1-3350(B) and replaces it with identification card in order to remain consistent with the subject matter contained in this subsection.

DMV collected approximately \$1,200 in revenue from adding veteran designations to identification cards in FY 2017-18. The \$1,200 was allocated to the State Highway Fund of DOT. Assuming a similar pattern, revenue of the State Highway Fund would be reduced by approximately \$1,200 in FY 2019-20 and each year thereafter.

**Local Expenditure**

N/A

**Local Revenue**

N/A

**Introduced on January 8, 2019**

**State Expenditure**

This bill allows DMV to issue a driver's license with a veteran's designation to a qualifying member of the National Guard. The applicant must provide a National Guard separation report, also known as an NGB Form 22 that shows a characterization of service or discharge status of honorable or general under honorable conditions and establishes twenty or more years of service. DMV currently issues driver's licenses with veteran designations to qualifying members of the United States Armed Forces with a United States Department of Defense discharge certificate, also known as a DD Form 214. However, the bill adds that a DD Form 214 received solely from participation in training activities will not be valid for the purpose of this bill.

DMV indicates that any modifications to current forms can be managed within current appropriations. Therefore, the bill will have no expenditure impact on the agency.

**State Revenue**

This bill deletes the provision that allows DMV to place veteran designations on identification cards of qualifying members of the United States Armed Forces. The fee to add a veteran designation on an identification card is \$1, and the revenue is allocated to the State Highway Fund of DOT.

Based upon data from DMV, the agency collected approximately \$1,200 in revenue from adding veteran designations to identification cards in FY 2017-18. The \$1,200 was allocated to the State Highway Fund of DOT. Assuming a similar pattern, revenue of the State Highway Fund would be reduced by approximately \$1,200 in FY 2019-20 and each year thereafter.

**Local Expenditure**

N/A

**Local Revenue**

N/A



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