

# South Carolina Board of Economic Advisors Statement of Estimated State Revenue Impact

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**Date:** April 24, 2009

**Bill Number:** S. B. 126 (as amended 04/23/09 by House E&PW)

**Author:** Sheheen and Elliott

**Committee Requesting Impact:** Senate Transportation

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**Bill Summary** A bill to amend Section (§) [56-3-1910](#), Code of Laws of South Carolina, 1976, relating to the issuance of special license tags to certain handicapped persons, so as to define the term "handicapped", delete the term "license tag" and replace it with the term "license plate", and to revise the criteria for the issuance of the license plate; to amend § [56-3-1950](#), relating to the definition of the term "handicapped", and the requirement that a licensed physician shall certify that a person's total and permanent disability substantially impairs his ability to walk, so as to revise the definition of the term "handicapped" and to delete the provision relating to the certification of a person who is totally and permanently disabled; to amend § [56-3-1960](#), relating to free parking for handicapped persons, and the issuance and display of handicapped license plates and placards, so as to delete the provision that provides for the issuance of handicapped license plates, and to revise the provisions regarding the content, issuance procedure, and display of handicapped placards; to amend § [56-3-1965](#), relating to municipalities designating parking spaces for handicapped persons, so as to revise the procedures that allow a handicapped person to park in metered or timed parking places without being subject to parking fees or fines; and to amend § [56-3-2010](#), relating to the issuance of personalized license plates, so as to provide that a person who also qualifies is qualified to receive this license plate and a handicapped license plate may be issued a personalized license plate that includes a decal that contains the international symbol of access. *(as further amended)*

## REVENUE IMPACT <sup>1/</sup>

This bill, as amended, is expected to raise revenue of local jurisdictions from enhanced parking fines by \$120,000 and reduce Motor Vehicle License revenues within the General Fund by \$30,000 in FY 2009-10. The bill would have no impact on state/local revenue distributions of additional court assessments and surcharges as otherwise applicable to traffic or non-traffic violations.

**Explanation:** This bill, as amended, further defines 'handicapped' as a condition to use a parking space so reserved and provides for the DMV to include an identifying picture on a temporary or permanent handicapped parking placard to verify that the authorized person is displaying it. Currently, a qualified person pays a \$1 fee to obtain a parking placard and there is a total limit of two placards per person. All proceeds from placard sales go to Motor Vehicle Licenses within the state's General Fund. The amended bill allows only one placard per person. It also raises the range of fine that can be imposed on handicapped parking violations, from not less than \$100 but not more than \$200, to not less than \$500 and not more than \$1,000. In addition to that fine range, Section 56-3-1960(K) imposes a thirty-day mandatory jail term upon conviction for illegal duplication, forgery or sale of a handicapped placard or license plate. Effective June 11, 2008, provisions in Act 283 of 2008 preclude certain additional court assessments and surcharges from being imposed on parking violations, to include a parking place clearly designated for handicapped persons. The bill's effective date is six months after approval by the Governor. Current placard holders must renew for a placard with photo within three years after that date.

A realistic date for the handicapped placard with photo to become available is – no sooner than January 1, 2010. Based on historical placard sales, a limit of one placard per person and stricter conditions to qualify, we expect a net loss of \$30,000 (@ 30,000 placards X \$1) in Motor Vehicle License revenues within the General Fund in FY 2009-10. We anticipate the prevailing fine imposed on violations to rise from \$200, at present, to \$500 and apply to bookings for the February – June period in FY 2009-10. Based on an average increase of \$300 per fine for an estimated 400 timely paid fines, adoption of the amended bill would raise revenue of local jurisdictions by \$120,000 in FY 2009-10.

*/s/ William C. Gillespie*

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<sup>1/</sup> 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).