

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4032-02  
Bill No.: SB 1186  
Subject: Motor Vehicles; Revenue Dept.; Licenses – Professional; Consumer Protection  
Type: Original  
Date: March 1, 2004

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Motor Vehicle Commission	(\$3,195)	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(\$3,195)</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

ASSUMPTION

Officials with the **Department of Public Safety – Missouri State Highway Patrol, Department of Corrections, and Office of State Courts Administrator** assume this proposal would have no fiscal impact on their agencies.

Officials with the **Department of Revenue (DOR)** assume this proposal could have fiscal impact on their agency. Because this proposal mandates that automobile dealers provide to buyers the toll-free number that DOR provides for taking complaints, DOR anticipates a sharp increase in caller volume requiring 920 hours of overtime to process the calls. **Oversight** assumes that current staffing levels will be sufficient and that if call volumes dramatically increase, DOR could request additional through the appropriations process.

DOR further assumes that under this proposal it will incur costs to ensure that dealers are properly notified of the additional requirements of this act. Costs in FY05 for forms, procedures, envelopes, and postage would total \$3,195.

The **Attorney General’s Office (AGO)** assumes this proposal could have fiscal impact on its agency. AGO assumes it would need one-half FTE Assistant Attorney General II to enforce

ASSUMPTION (continued)

civil and criminal penalties for violations of this legislation. **Oversight** assumes that current staffing levels will be sufficient and that if the volume cases relating to this act becomes substantial, AGO could request additional funds through the appropriations process.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
---	---------------------	---------	---------

Motor Vehicle Commission Fund – Cost to DOR

Procedures, Forms, and Mailing	<u>(\$3,195)</u>	<u>\$0</u>	<u>\$0</u>
--------------------------------	------------------	------------	------------

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
---	---------------------	---------	---------

	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
--	------------	------------	------------

FISCAL IMPACT - Small Business

Automobile dealers selling used cars would incur nominal costs in distributing buyer's guides.

DESCRIPTION

This legislation requires motor vehicle dealers to display buyer's guides with an attached notation of the toll-free hotline for used car buyer complaints. Dealers must receive an signed acknowledgment of receipt of the buyer's guide from all used car buyers and keep such records, allowing DOR to inspect such records. A violation of this act constitutes an unlawful trade practice.

This legislation is federally mandated by Federal Trade Commission in 16 CFR Part 455. This legislation would not duplicate any other program and would not require additional capital improvements or rental space.

L.R. No. 4032-02  
Bill No. SB 1186  
Page 4 of 4  
March 1, 2004

SOURCES OF INFORMATION

Department of Revenue  
Attorney General's Office  
Department of Public Safety – Missouri State Highway Patrol  
Department of Corrections  
Office of State Courts Administrator



Mickey Wilson, CPA  
Director  
March 1, 2004