

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1861-03
Bill No.: Truly Agreed To and Finally Passed SCS for SB 355
Subject: Motor Vehicles; Fees; Civil Procedure; Boats and Watercraft
Type: Original
Date: May 28, 2009

Bill Summary: This proposal allows motor vehicle dealers, boat dealers, and powersport dealers to charge administrative fees associated with the sale or lease of certain vehicles and vessels under certain conditions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator** state this proposal will have no fiscal impact on the Courts.

Officials from the **Department of Revenue (DOR)** state this proposed legislation would have a minimal fiscal impact on their agency. DOR would need to update forms and the dealer operating manual.

<u>FISCAL IMPACT - State Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small motor vehicle, boat, and powersport dealers could see a positive fiscal impact resulting from fee income.

FISCAL DESCRIPTION

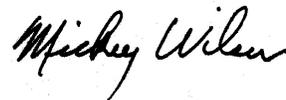
This proposal allows motor vehicle dealers, boat dealers, or powersport dealers to charge an administrative fee for the storage of documents or other administrative or clerical services and a portion of the administrative fee may result in profit to the dealer. Under proposed legislation, no dealers that sell or lease motor vehicles, vessels, or vessel trailers and impose an administrative fee of less than \$200 in the connection with the sale or lease of such vehicle shall be deemed to be engaging in the unauthorized practice of law. If an administrative fee is charged, the administrative fee shall be charged to all retail customers, unless prohibited by the motor vehicle dealer's franchiser, and disclosed on the retail buyer's order form as a separate itemized charge.

FISCAL DESCRIPTION (continued)

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Office of State Courts Administrator



Mickey Wilson, CPA
Director
May 28, 2009