

Department of Planning and Budget
2004 Fiscal Impact Statement

1. Bill Number HB231

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron Athey

3. Committee Courts of Justice

4. Title Virginia Consumer Protection Act; cure offers for disputes involving motor vehicle purchases

5. Summary/Purpose: The bill defines "cure offer" as a written offer of one or more things of value made by a supplier who is a licensed motor vehicle dealer, and the offer is delivered to a person, or the person's attorney, claiming to have suffered a loss as a result of a consumer transaction for the purchase of a motor vehicle from the supplier. A cure offer must be reasonably calculated to remedy a loss claimed by the person, and it must include a minimum additional amount equaling 10 percent of the value of the cure offer or \$500, whichever is greater, as compensation for inconvenience, fees, expenses, or other costs that such person may incur in relation to such loss. However, the minimum additional amount need not exceed \$2,500. The bill prohibits the admission of a cure offer in any proceeding initiated under the Virginia Consumer Protection Act unless the cure offer is delivered by a supplier to the person, or the person's attorney, claiming loss prior to the filing of the supplier's initial responsive pleading in such proceeding. If a verdict is rendered in favor of the claimant, the cure offer shall be admissible for the purpose of the court's determination as to whether the supplier is liable for the claimant's attorney's fees and court costs. The supplier shall not be liable for such person's attorney's fees and court costs unless the actual damages found to have been sustained and awarded, without consideration of attorney's fees and court costs, exceed the value of the last cure offer that was not accepted by the person claiming the loss.

6. No fiscal impact.

7. Budget amendment necessary: No.

8. Fiscal implications: None.

9. Specific agency or political subdivisions affected: Judicial system, Department of Agriculture and Consumer Services.

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 1/13/04 kbs

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cc: Secretary of Commerce and Trade