

Department of Planning and Budget 2004 Fiscal Impact Statement

1. Bill Number: SB324

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: Stolle

3. Committee: Commerce and Labor

4. Title: Virginia Consumer Protection Act; cure offers for consumer disputes involving motor vehicles

5. Summary/Purpose: The bill defines "cure offer" as a written offer of one or more things of value made by a supplier, and the offer is delivered to a person, or an attorney representing the person, 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 an attorney representing the person, claiming loss prior to the filing of the supplier's initial responsive pleading in such proceeding. If the requirements of the definition of cure offer are met and the cure offer is delivered by the supplier as required, the cure offer shall be admissible when offered by the supplier. The supplier shall not be liable for such person's attorney's fees and court costs incurred following delivery of the cure offer 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 loss.

6. Fiscal Impact: Because cure offers are part of civil judicial proceedings, there is no fiscal impact associated with the bill for the Department of Agriculture and Consumer Services. The cure offer provisions should also not increase the cost for the judicial system of adjudicating civil disputes involving motor vehicles.

7. Budget amendment necessary: No.

8. Fiscal implications: None.

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

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 1/19/04 kbs

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cc: Secretary of Commerce and Trade