

Department of Planning and Budget 2016 Fiscal Impact Statement

1. Bill Number: SB709

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: McDougle

3. Committee: Transportation

4. Title: Recalled motor vehicles

5. Summary: This bill has two distinct aspects: 1) Requires new and used car/truck/motor home dealers to disclose whether a used car/truck/motor home sold at retail has been recalled and, if the used car/truck/motor home is subject to a recall that remains unremedied at the time of sale, inform the buyer of the process for remediating the recall; and 2) The bill requires a manufacturer or distributor who establishes a program that prohibits dealers from selling used cars/trucks that have been issued a safety recall and remain unremedied to provide a remedy for each such vehicle or to compensate the dealer for costs when such program is enforced through penalty or loss of benefits. The bill requires a manufacturer or distributor to compensate dealers for recall repairs on the same basis as warranty repairs. The bill prohibits a manufacturer or distributor from using performance measurements to the detriment of a dealer when the dealer has vehicles it cannot deliver by law or by manufacturer or distributor program or directive.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary. See Item #8.

8. Fiscal Implications: This bill would not have a significant impact on the Motor Vehicle Dealer Board operations.

9. Specific Agency or Political Subdivisions Affected: Motor Vehicle Dealer Board, Department of Motor Vehicles.

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is a companion to HB 1232.

Date: 1/26/16

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c: Secretary of Transportation