

Department of Planning and Budget 2019 Fiscal Impact Statement

1. Bill Number: HB2174

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: Miyares

3. Committee: Transportation

4. Title: Motor vehicle dealers; manufacturers and factory branch transfers, etc.

5. Summary: This bill provides that if a motor vehicle manufacturer or factory branch transfers or discontinues its right to manufacture a line-make of motor vehicles, all franchises granted to motor vehicle dealers by that manufacturer in the Commonwealth shall continue in full force, with modification to reflect that the new manufacturer of that line-make of motor vehicles will be substituted for the prior manufacturer. The bill provides that a manufacturer or distributor's right to first refusal in the event of a proposed sale or transfer of a dealership does not apply if such sale or transfer is not to a dealer licensed anywhere in the United States as a dealer holding a franchise from any manufacturer or to a distributor licensed as a manufacturer or distributor in the Commonwealth. The bill expands the events in which a manufacturer or distributor may exercise a right to first refusal to include when there is a proposed change in management of a dealership.

6. Budget Amendment Necessary: No

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

8. Fiscal Implications: No state fiscal impact is anticipated from this legislation.

9. Specific Agency or Political Subdivisions Affected: Motor Vehicle Dealer Board.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 1/21/2019

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Cc: Secretary of Transportation