Department of Planning and Budget
2012 Fiscal Impact Statement

1. **Bill Number:** HB171

   House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

   Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron:** Cosgrove

3. **Committee:** Transportation

4. **Title:** Motor Vehicle Transaction Recovery Fund; bonding requirements.

5. **Summary:** This bill would permit the Motor Vehicle Transaction Recovery Fund to drop below the previously mandated $250,000 balance requirement, though not register a negative balance. The bill also allows recovery of attorney fees against a dealer's bond.

6. **Budget Amendment Necessary**: No.

7. **No Fiscal Impact.** Preliminary.

8. **Fiscal Implications:** This bill will allow consumers to collect attorney fees from the dealer's bond when the bond is in effect. Currently, consumers who receive payment from a bond must come to the Motor Vehicle Transaction Recovery Fund to be reimbursed for attorney fees. The bill will help to preserve the Fund since consumers would be able to recover attorney fees from the dealer's bond.

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

10. **Technical Amendment Necessary:** No.

11. **Other Comments:** This proposal is consistent with recommendations contained in the report of the Motor Vehicle Transaction Recovery Fund legislative study work group (2011).

Date: 1/12/12
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c: Secretary of Transportation