

Department of Planning and Budget 2016 Fiscal Impact Statement

1. Bill Number: HB256

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: McQuinn

3. Committee: Appropriations

4. Title: Relief; Robert Scott

5. Summary: This bill provides relief in the amount of \$26,367.50 to Robert Scott from the Motor Vehicle Transaction Recovery Fund because Mr. Scott did not meet the statutorily required time-frame to submit his claim to the Fund. Mr. Scott would have been eligible for \$20,000 per transaction minus the \$13,632.50 received from a bond payout but was unable to file a claim until he received the bond payout in February 2012. Mr. Scott has an unpaid final judgment from Towne Automotive Brokers and Francis Masika, awarded in 2010, and would have to reimburse the Fund for any amounts received as a result of the judgment subsequent to payment from the Fund. The bill contains an emergency clause.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: Mr. Scott purchased two vehicles for a total price of \$56,000 from the same dealer and did not take possession of either vehicle. As one of five consumers receiving judgments against the dealer, Mr. Scott received only \$13,632.50 from the bond company. The law specifies that consumers may receive up to a total of \$20,000 per transaction from both the bond and the Motor Vehicle Transaction Recovery Fund. Mr. Scott could not file a claim against the Fund until he received payment from the bond. While waiting for the bond payment, the statutory time frame for filing a claim ran out.

The Motor Vehicle Transaction Recovery Fund is a special fund to compensate consumers who receive judgments against dealers. The dealers fund this Fund. When Mr. Scott did file a claim with the Motor Vehicle Dealer Board, the Board had to deny the claim because he did not meet the statutory time frame. However, the board staff assisted Mr. Scott in seeking a Relief Bill to recover the \$26,367.50 the Board feels Mr. Scott deserves. There is an adequate balance in the Fund to compensate Mr. Scott.

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

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 1/13/16

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c: Secretary of Transportation