

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1549-01
Bill No.: HB 738
Subject: Motor Vehicles; Consumer Protection
Type: Original
Date: February 9, 2017

Bill Summary: This proposal changes the laws regarding motor vehicle warranties to allow component manufacturers to service their products without violating the motor vehicle's warranty.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Transportation, Department of Revenue, Office of Administration, Department of Labor and Industrial Relations and Department of Insurance, Financial Institutions and Professional Registration** each assume the proposal will have no fiscal impact on their respective organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill allows a franchisor to own or operate a new motor vehicle dealership in this state if the franchisor is a manufacturer that:

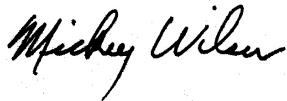
- (1) Manufactures engines for installation in motor vehicles with a gross weight rating of 16,000 pounds registered to operate on public highways provided that the manufacturer is not otherwise a manufacturer of motor vehicles as defined under Section 407.815(15) RSMo;
- (2) Owned, operated, or controlled a new motor vehicle dealership or a warranty repair facility in this state as of January 1, 2016;
- (3) Does not own or operate more than seven dealerships in this state; and
- (4) Provides dealers with access to support for completing repairs substantially equal to the support the manufacturer provides to facilities owned, operated, or controlled by it.

FISCAL DESCRIPTION (continued)

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Transportation
Department of Revenue
Office of Administration
Department of Insurance, Financial Institutions and Professional Registration
Department of Labor and Industrial Relations



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Director
February 9, 2017

Ross Strobe
Assistant Director
February 9, 2017