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FISCAL IMPACT REPORT

SPONSOR: Altamirano DATE TYPED: 2/25/03 HB _____

SHORT TITLE: Used Motor Vehicle Damage Disclosure SB 809

ANALYST: Wilson

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	NFI				

SOURCES OF INFORMATION

Responses Received From

Taxation & Revenue Department (TRD)

SUMMARY

Synopsis of Bill

Senate Bill 809 requires the seller of a motor vehicle to disclose in writing to the purchaser, before the sale is completed, any material mechanical defect in the motor vehicle and any damage sustained by the motor vehicle due to fire, water, collision or other causes known to the seller.

In addition, SB 809 mandates that a seller promising repairs will be made, or conditions corrected in connection with the purchase of a used motor vehicle, provide the promise in writing and either attached to or incorporated into the sales contract.

Significant Issues

The provisions of SB 809 will provide protection to the consumer.

TECHNICAL ISSUES

TRD suggests a provision in SB 809 providing for notification of the Motor Vehicle Division (MVD) by either a court or the seller/dealer of an adverse judgment against a dealer since it might provide grounds to the MVD Dealers Section for failing to renew a motor vehicle dealer's license.

Senate Bill 809 Page 2

TRD also proposed the following change: Page 2, Line 13: the phrase “wreck damage” should be changed to “damage caused by fire, water, or collision.” (to parallel language in Page 1, Line 25, through Page 2, Line 1).

DW/sb/njw