

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3082-03  
Bill No.: SCS for SB 747  
Subject: Motor Vehicles; Revenue Department; Licenses - Professional.  
Type: Original  
Date: February 3, 2006

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 3 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Department of Revenue (DOR)** state their responsibility is to approve the training classes required, and to inform new dealer applicants of the class requirement. Because the language has been modified to exempt dealers licensed prior to the effective date of the legislation, the DOR costs assumed in their response to 3082-02 for notification will be absorbed.

In response to a previous version of this proposal (3082-02), DOR stated that based on the assumption that they would only notify dealers of the training requirement four times per year, there will be costs for a two-page mailing, envelopes, and postage to approximately 6,000 used vehicle dealers each year. DOR assumed annual expenses from the Motor Vehicle Commission Fund of \$9,200 (FY '07), \$11,371 (FY '08) and \$11,712 (FY '09).

<b><u>FISCAL IMPACT - State Government</u></b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
	<b>(10 Mo.)</b>		
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Local Government

FY 2007  
(10 Mo.)

FY 2008

FY 2009

\$0

\$0

\$0

FISCAL IMPACT - Small Business

Small business motor vehicle dealers could be fiscally impacted from the educational requirements specified in this proposal.

DESCRIPTION

This substitute requires applicants for a used motor vehicle dealer's license to complete an educational seminar course within the last 12 months of applying for a license. The educational seminar course shall be approved by the Department of Revenue. The provisions of this act shall not apply to wholesale and retail auto auctions, new motor vehicle franchise dealers or motor vehicle leasing agencies. Used motor vehicle dealers who were licensed prior to August 28, 2006, are not subject to the act.

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 Revenue



Mickey Wilson, CPA  
Director  
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