

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 2615-01
BILL NO.: SB 615
SUBJECT: Motor Vehicles; Education Seminar for Used Car Dealers
TYPE: Original
DATE: January 24, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses
This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

The **Department of Revenue (DOR)** assumes that DOR's responsibility is to **ONLY** approve the training classes required and to notify the dealers of the class requirement quarterly (class dates and times). This fiscal analysis is based on the assumption that DOR would not develop the training and/or printed materials, hold the training or print the materials. If this is not the sponsor's intent, there would be a cost associated with these issues and the department would require additional funding as appropriate. Based on the assumption that the Motor Vehicle Bureau would only notify dealers of the training requirement, the MVB would prepare 4 mailings per year and notify the dealers of the dates and times of the classes. Currently, we have approximately 4,500 used automobile dealers (4500 x 4 = 18,000 notifications). This would have minimal impact on the Motor Vehicle Bureau and would be implemented with existing resources.

Officials from the **Department of Transportation** and **Missouri Highway Patrol** assume this proposal would not fiscally or administratively impact their agencies.

Oversight assumes the cost of attending an educational seminar would be born by the used car dealer that applies for the issuance or renewal of a used motor vehicle dealer's license. Therefore, Oversight assumes no fiscal impact to DOR or local governments.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0
<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

Small businesses that provide educational training and/or used car dealers would be expected to realize direct fiscal impact as a result of this proposal.

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DESCRIPTION

This proposal requires used motor vehicle dealers to attend a six hour educational seminar annually as a condition to issuance or renewal of their dealer's license. The educational seminar shall include training regarding the requirements of licensure for used car dealer and other information that will promote good business practices. The seminars shall not require a written or oral exam. The educational seminar must be sponsored by an organization authorized to do business in Missouri and which develops programs to enhance the competence of used car dealers. Each program instructor cannot have any prior felony conviction as determined by a background check conducted by the Highway Patrol.

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
Department of Transportation
Missouri Highway Patrol



Jeanne Jarrett, CPA
Director
January 24, 2000