

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO. 4595-01  
BILL NO. SB 1069  
SUBJECT: Motor Vehicles; Merchandising Practices  
TYPE: Original  
DATE: March 13, 2000

**FISCAL SUMMARY**

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

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None			
<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>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator (CTS)** and the **Office of Administration (COA)** assume the proposed legislation would have no fiscal impact on their agencies.

In a response to a similar proposal, officials from the **Office of the Attorney General** assumed the proposal would have no fiscal impact on their agency.

**Oversight** assumes the proposal could have a fiscal impact on local governmental entities which are not self-insured, as this proposal could result in an increase in automobile insurance premiums. However, Oversight assumes any fiscal impact would be minimal.

<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 could be impacted by this proposal, as it could result in an increase in their insurance premiums due to increased costs to insurance companies with respect to certain automobile repairs.

DESCRIPTION

The proposal would prohibit an insurance company's use of non-original equipment manufacturer (non-OEM) aftermarket crash parts in the repair of an insured's motor vehicle during the original or extended warranty period of the motor vehicle. Non-OEM aftermarket crash parts are defined as parts not made for or by the manufacturer of the motor vehicle.

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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

Office of State Courts Administrator  
Office of Administration

**NOT RESPONDING: Office of the Attorney General**



Jeanne Jarrett, CPA  
Director  
March 13, 2000