



**FINAL  
FISCAL NOTE**

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 17-1208

**Date:** September 11, 2017

**Prime Sponsor(s):** Sen. Tate

**Bill Status:** Signed into Law

Rep. Kraft-Tharp

**Fiscal Analyst:** Erin Reynolds (303-866-4146)

**BILL TOPIC:** MOTOR VEHICLE DEALERS AND MANUFACTURERS

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
<b>State Revenue</b>		
<b>State Expenditures</b>	Minimal workload increase.	
<b>Appropriation Required:</b>	None.	
<b>Future Year Impacts:</b>	Ongoing minimal workload increase.	

### **Summary of Legislation**

The bill makes changes to state law concerning franchise agreements between motor vehicle manufacturers and motor vehicle dealers. Specifically, it increases the protections available for dealerships and specifies the nature and venue for civil actions between dealerships and manufacturers.

### **State Expenditures**

Because the bill allows dealers to file new lawsuits against manufacturers — related to market adversity and contract termination — workload in the trial courts in the Judicial Department may increase. Because the fiscal note assumes that professionals will comply with the law, this bill is not expected to tangibly impact the courts and no change in appropriations is required. The Motor Vehicle Dealer Board and Automobile Industry Division in the Department of Revenue are not expected to be parties to these potential lawsuits.

### **Effective Date**

The bill was signed into law by the Governor on June 5, 2017, and became effective on August 9, 2017. It applies to acts committed on or after this date.

### **State and Local Government Contacts**

Judicial

Revenue