



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

HOUSE BILL NO. 1630

PRINTERS NO. 2818

PRIME SPONSOR: Tobash

### COST / (SAVINGS)

FUND	FY 2011/12	FY 2012/13
General Fund	\$0	\$0

**SUMMARY:** House Bill 1630, Printer's Number 2818, amends the Motor Vehicle Sales Finance Act, further providing for revocation or suspension of license.

**ANALYSIS:** Act 186 of 2002 amended the Motor Vehicle Sales Finance Act providing a 100% mark-up cap on service contracts, warranties, and debt suspension or cancellation agreements until such time as the Department of Banking adopts guidelines for these aftermarket products. This bill removes the arbitrary mark-up cap of 100%. No other state imposes a mark-up cap on these products and removing the cap will allow the free market to determine what cost a consumer will pay for these products.

Language is added providing that the Department of Banking review and investigate consumer complaints and annually report the number and dispositions of enforcement actions and consumer complaint resolutions to the General Assembly.

This act shall take effect in 90 days.

**FISCAL IMPACT:** Enactment of this legislation will have no adverse fiscal impact on Commonwealth funds.

**PREPARED BY:** Ritchie LaFaver  
House Appropriations Committee (R)

**DATE:** January 20, 2012

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*