



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 419

PRINTERS NO. 1405

PRIME SPONSOR: Tomlinson

COST / (SAVINGS)

FUND	FY 2010/11	FY 2011/12
Professional Licensure Augmentation Account	\$0	\$0
General Fund	\$0	\$0

SUMMARY: Authorizes licensed motorcycle dealers to sell motorcycles on Sundays and modifies the conditions imposed on the franchise relationship between new vehicle dealers and manufacturers to better protect the dealers. This legislation would take effect in 60 days.

ANALYSIS: This legislation would amend The Board of Vehicles Act (Act 84 of 1983) by:

- Adding language in Section 19 (10) allowing licensed motorcycle dealers to buy, sell, exchange, trade or otherwise deal in motorcycles on Sundays. The bill also repeals the section in the Crimes Code that prohibits sales of motor vehicles on Sundays insofar as it relates to motorcycles.
- Adding language in Section 9 (e) to prohibit a manufacturer from taking back funds paid to a dealer for reimbursement of warranty services (charge back) when the dealer protests the charge back to the State Board of Vehicles. Collection of the charge back is stayed until the Board has held a hearing on the protest.
- Adding a new Section 12.1 to prohibit a manufacturer from unreasonably altering a dealer's area of responsibility and to allow a dealer to protest such alteration to the Board. If a dealer's area of responsibility is altered, the manufacturer must allow 18 months for the dealer to penetrate the market and become sales effective prior to the manufacturer taking punitive action against the dealer for nonperformance.

FISCAL IMPACT: This legislation would have no adverse impact on Commonwealth funds.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: June 30, 2011

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