

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 210** SLS 21RS 396

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 2, 2021	8:54 AM	Author: FOIL
Dept./Agy.: LA Motor Vehicle Commission		Analyst: Patrice Thomas
Subject: New Recreational Vehicle Warranty Act		

MOTOR VEHICLES RE SEE FISC NOTE SG RV See Note
Provides relative to recreational vehicle warranties. (8/1/21)

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Proposed law creates the New Recreational Vehicle Warranty Act within the regulation of the LA Motor Vehicle Commission. Proposed law authorizes the LA Motor Vehicle Commission to hold hearing relative to recreational vehicle warranties enacted in the New Recreational Vehicle Warranty Act. Upon the commission's determination of a recreational vehicle's nonconformity, proposed law requires the manufacturer, at its option, replace the vehicle with a comparable new recreational vehicle, or to accept return of the recreational vehicle and refund to the consumer the vehicle's full purchase price and collateral costs minus a reasonable allowance. Proposed law provides that a seller of a recreational vehicle previously returned to a manufacturer for nonconformity to warranty shall provide a written mandatory disclosure of nonconformity instrument to a buyer and subjects the manufacturer to a fine \$500 - \$1,000 for each violation. Proposed law is effective 8/01/2021.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

REVENUES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
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Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

Proposed law may result in an indeterminable increase in expenditures in the LA Motor Vehicle Commission as a result of regulation, keeping records, and holding hearings related to the New Recreational Vehicle Warranty Act. Neither the LA Motor Vehicle Commission nor the Legislative Fiscal Office can determine how many complaints of nonconformity to warranty are in the recreational vehicle industry. The proposed law authorizes the LA Motor Vehicle Commission to collect costs to defray the expenses of administering the New Recreational Vehicle Warranty Act. The Legislative Fiscal Office presumes expenditures incurred by the Commission will be mitigated by fees authorized under this measure.

REVENUE EXPLANATION

Proposed law may result in an indeterminable increase in revenue to the LA Motor Vehicle Commission as a result of fines assessed to manufacturers found in violation of this measure. The proposed law authorizes the Commission to assess fines between \$500 - \$1,000 for each violation. The Legislative Fiscal Office cannot determine the number of manufacturers that will be assessed civil fines for violation, the amount of the civil fine, or anticipate the amount of revenue collected by the LA Motor Vehicle Commission from civil fines in future fiscal years.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Alan M. Boxberger

Alan M. Boxberger
Staff Director