

**NORTH CAROLINA GENERAL ASSEMBLY
LEGISLATIVE FISCAL NOTE**

BILL NUMBER: SB 470 (Second Edition)

SHORT TITLE: Clarify Motor Dealer Franchise Laws

SPONSOR(S): Senator Hoyle

FISCAL IMPACT

Yes ()	No (X)	No Estimate Available ()		
<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>	<u>FY 2004-05</u>	<u>FY 2005-06</u>

REVENUES

EXPENDITURES

POSITIONS:

**PRINCIPAL DEPARTMENT(S) &
PROGRAM(S) AFFECTED:** Division of Motor Vehicles

EFFECTIVE DATE: Section 2.1 March 1, 2003; other sections when the bill becomes law

BILL SUMMARY: The bill makes numerous changes to the laws regarding franchises between motor vehicle dealers and manufacturers. Some of the changes involve dispute resolution in which the Commissioner of Motor Vehicles could play a role.

ASSUMPTIONS AND METHODOLOGY: The Division of Motor Vehicles maintains that the bill would not have a fiscal impact on the Division. In Section 1 (b) (3) the Commissioner shall appoint a mediator and send notice of that appointment to both parties. The Division already sends such notice and would pick a mediator from a list kept by the clerks of superior court. The parties choose a venue and schedule the mediation. Section 1(b)(7) states that the parties are responsible for the compensation and the expense of the mediator, not the Division. DMV concludes that the bill would only require two more letters per instance, of which there have not been many.

FISCAL RESEARCH DIVISION 733-4910

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