



**Colorado
Legislative
Council
Staff**

SB17-210

FISCAL NOTE

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

Drafting Number: LLS 17-0943
Prime Sponsor(s): Sen. Scott

Date: March 13, 2017
Bill Status: Senate Transportation
Fiscal Analyst: Erin Reynolds (303-866-4146)

BILL TOPIC: MOTOR VEHICLE MANUFACTURER AND DISTRIBUTOR STOP-SALE

Summary of Legislation

When a motor vehicle manufacturer or distributor issues a stop-sale directive because of a vehicle safety defect, this bill requires the manufacturer or distributor to reimburse used motor vehicle dealers from 90 days after the directive is issued until a repair solution is provided or the vehicle is transferred. The reimbursement rate is 1 percent of the vehicle's wholesale value per month. This remedy may not be combined with any other remedy under state or federal law. Specifically, the responsibility to reimburse occurs when:

- the dealer holds an active agreement with the manufacturer or distributor for the make of the used motor vehicle affected by the directive;
- the vehicle is in the dealer's inventory on the date the directive is issued; and
- the manufacturer or distributor has not provided a remedy procedure or made parts available to repair the used motor vehicle for more than 90 days after the stop-sale directive is issued.

Assessment

Because trial judges in Colorado have not heard this type of matter in their courts, no workload reduction is created under this bill. The bill has no other impact on the revenue, expenditures, or workload of any state agency or local government. For this reason, the bill is assessed as having no fiscal impact.

Effective Date

The bill takes effect August 9, 2017, if the General Assembly adjourns on May 10, 2017, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Judicial Revenue