



**Colorado
Legislative
Council
Staff**

SB17-298

FISCAL NOTE

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

Drafting Number: LLS 17-1208 **Date:** April 24, 2017
Prime Sponsor(s): Sen. Tate **Bill Status:** Senate Business
 Rep. Kraft-Tharp **Fiscal Analyst:** Erin Reynolds (303-866-4146)

BILL TOPIC: MOTOR VEHICLE DEALERS AND MANUFACTURERS

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue		
State Expenditures	Minimal workload increase.	
Appropriation Required: None.		
Future Year Impacts: Ongoing minimal workload increase.		

Summary of Legislation

The bill makes changes to state law concerning franchise agreements between motor vehicle manufacturers and motor vehicle dealers. Specifically, it increases the protections available for dealerships and specifies the nature and venue for civil actions between dealerships and manufacturers.

State Expenditures

Because the bill allows dealers to file new lawsuits against manufacturers — related to market adversity and contract termination — workload in the trial courts in the Judicial Department may increase. Because the fiscal note assumes that professionals will comply with the law, this bill is not expected to tangibly impact the courts and no change in appropriations is required. The Motor Vehicle Dealer Board and Automobile Industry Division in the Department of Revenue are not expected to be parties to these potential lawsuits.

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. It applies to acts committed on or after this date.

State and Local Government Contacts

Judicial Revenue

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit: www.leg.colorado.gov/fiscalnotes.