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FISCAL IMPACT REPORT

ORIGINAL DATE 02/06/13
 SPONSOR HBIC LAST UPDATED 02/12/13 HB 202/HBICS
 SHORT TITLE Unlawful Acts for Car Dealers SB _____
 ANALYST Boerner

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$0.0	\$0.0	\$0.0	Nonrecurring	None

(Parenthesis () Indicate Expenditure Decreases)

Duplicate to SB 189

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

The House Business and Industry Committee substitute to House Bill 202 amends Section 57-16-5 NMSA 1978 by adding to the list of unlawful acts for motor vehicle manufacturers or distributors or their representatives. New language prohibits manufacturers, distributors, or their representatives from requiring a dealer or the dealer's successor to:

- 1) construct a new dealership or relocate or substantially change a dealer's facility except as necessary to comply with health and safety laws or technology requirements required to sell or service vehicles; or,
- 2) construct a new dealership, require relocation of an existing dealership or substantially change, alter or remodel an existing dealership within 10 years of previous construction, change, alteration or remodel of a dealership if the change resulted in substantial compliance with standards or plans provided by a manufacturer, distributor or representative;

Finally, a manufacturer, distributor or their representatives may not unreasonably withhold approval for a dealer to purchase substantially similar goods or services related to the construction, alteration, remodel or renovation of a dealership facility from the vendor's choice. However, this subsection shall not be construed to allow a dealer or vendor to infringe on or impair a manufacturer's trademark rights or erect or maintain a sign that does not conform to the manufacturer's reasonable fabrication specifications and trademark usage guidelines.

FISCAL IMPLICATIONS

None noted.

CB/svb