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FISCAL IMPACT REPORT

SPONSOR	<u>Keller</u>	ORIGINAL DATE	02/10/09	
		LAST UPDATED	03/02/09	HB
SHORT TITLE	<u>Car Dealership License Continuing Education</u>	SB	<u>300/aSCORC</u>	
		ANALYST	<u>Lucero</u>	

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY09	FY10	FY11	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		Minimal	Minimal	Minimal	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of SCORC Amendment

Senate Corporations and Transportation Committee (SCORC) amendment to Senate Bill 300 clarifies that a vehicle dealership licensee must complete 8 hours of training or 8 hours of continuing education before a license may be issued or renewed. Additionally, the amendment extends the continuing education requirement to both non-franchise and franchise dealership license renewal.

Synopsis of Original Bill

Senate Bill 300 proposes to amend Section 66-4-2 NMSA 1978, the Motor Vehicle Code to require completion of eight hours of continuing education as approved by the Taxation and Revenue Department (TRD) Motor Vehicle Division (MVD) as a qualification for renewal of a license issued to a nonfranchise vehicle dealership

SIGNIFICANT ISSUES

The SCORC amendment establishes parity between non-franchise and franchise renewal in regard to continuing education prior to license renewal.

Requiring all non-franchise vehicle dealers to have eight hours of continuing education hours before their license could be renewed would benefit dealers, consumers, the Dealer Licensing Bureau, law enforcement, the Attorney General's office and bond companies. The individual non-franchise dealers would be better versed in, and more likely to comply with, state and

federal statutes and rules regulating their industry. This bill adds to an existing requirement of eight hours of training for *newly-licensed* non-franchise dealers.

ADMINISTRATIVE IMPLICATIONS

Motor Vehicle Division's Dealers Bureau expects that the continuing education requirement would result in fewer consumer complaints that must be addressed by the Dealer Licensing Bureau and the Office of the Attorney General.

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