

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6360**

**BILL NUMBER: SB 77**

**NOTE PREPARED: Jan 25, 2005**

**BILL AMENDED:**

**SUBJECT:** Mechanic's Liens on Towed Vehicles.

**FIRST AUTHOR:** Sen. Young R Michael

**FIRST SPONSOR:**

**BILL STATUS:** As Passed Senate

**FUNDS AFFECTED:**    **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill allows an unpaid provider of towing services to obtain a mechanic's lien on a towed vehicle and sell the vehicle. It makes conforming changes.

**Effective Date:** July 1, 2005.

**Explanation of State Expenditures:** The Bureau of Motor Vehicles (BMV) may experience a reduction in revenue from the sale of abandoned vehicles. However, the amount cannot be quantified. The BMV does not know how many vehicles will be excluded from their sales because of sales by towing companies. The fund affected is the Motor Vehicle Highway Account.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** Under current statute, cities of the first to fourth classes may elect to sell and keep revenues from vehicles abandoned in their jurisdictions (IC 9-22-1-23 through 27). The city or BMV is responsible for notifying the owner of the vehicle. These local units may experience a reduction in the number of vehicles which may be sold at auction, the number of which is indeterminable.

**State Agencies Affected:** Bureau of Motor Vehicles.

**Local Agencies Affected:** Cities of the first to fourth classes.

**Information Sources:**

**Fiscal Analyst:** James Sperlik, 317-232-9866.