

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6493**  
**BILL NUMBER: SB 388**

**NOTE PREPARED:** Dec 22, 2011  
**BILL AMENDED:**

**SUBJECT:** Relocation of New Motor Vehicle Dealers.

**FIRST AUTHOR:** Sen. Wyss  
**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

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

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides that certain restrictions pertaining to the relocation of new motor vehicle dealers do not apply to a new motor vehicle dealer located in a county of over 100,000 inhabitants under certain circumstances.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** This bill exempts new motor vehicle dealers located in counties having a population of 100,000 or more from the notification requirements for new vehicle dealers locating into a relevant market area. This exemption applies only to new motor vehicle dealers that is or has been engaged in the process of relocating but has not physically relocated to the dealer's new site by the date of the bill's passage.

Under current law, a violation of the notification requirements constitutes a Class B misdemeanor (IC 9-23-6-1) and is also subject to civil remedy (IC 9-23-6-4). By exempting new vehicle dealers in counties with populations greater than 100,000, this bill could decrease the workload of the Secretary of State Dealer Services Division and the Attorney General to institute and pursue civil actions against these dealers.

**Additional Information:** The Secretary of State Dealer Services Division reports they have yet to seek criminal or civil remedy against any vehicle dealer for violation of IC 9-23-3-24.

According to population data for 2011, new vehicle dealers in the following 17 counties would no longer be subject to the notification requirements currently found in IC 9-23-3-24: Allen, Clark, Delaware, Elkhart,

Hamilton, Hendricks, Johnson, Lake, LaPorte, Madison, Marion, Monroe, Porter, St. Joseph's, Tippecanoe, Vanderburgh, and Vigo.

**Explanation of State Revenues:** *Civil and Criminal Fees and Penalties:* Currently, a person who is found in violation of the notification requirement found in IC 9-23-3-24 is subject to a civil penalty between \$50 and \$1,000 per day of violation and for each violation. Revenue collected from these civil penalties is to be deposited in the Secretary of State Securities Division Enforcement Account. In addition, the maximum fine for a Class B misdemeanor is \$1,000. With the exemption provided in this bill, there would be no revenue to either the Common School Fund (from criminal fines), the Securities Division Enforcement Account (from civil penalties), or the state General Fund (from court fees) for a violation of IC 9-23-3-24 in these 17 counties.

**Explanation of Local Expenditures:** A Class B misdemeanor is punishable by up to 180 days in jail. However, with the exemption provided in this bill, there would be no jail expenses from a violation of IC 9-23-3-24 in the 17 counties.

**Explanation of Local Revenues:** With the exemption provided in this bill, there would be no revenue from court fees for a violation of IC 9-23-3-24 in the 17 counties.

**State Agencies Affected:** Secretary of State Dealer Services Division.

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:** <http://www.stats.indiana.edu/topic/population.asp>; Carol Mihalik, Secretary of State.

**Fiscal Analyst:** Bill Brumbach, 232-9559.