



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: Sub. S.B. 204 of the 128th G.A.

Date: June 3, 2010

Status: As Enacted

Sponsor: Sen. Wagoner

Local Impact Statement Procedure Required: No — Minimal cost

Contents: Modifies the law relative to the termination of franchises and prohibited acts under the Motor Vehicle Dealers Law

State Fiscal Highlights

STATE FUND

FY 2011 – FUTURE YEARS

General Revenue Fund

Revenues - 0 -

Expenditures Potential decrease, not likely more than minimal, depending on the number of cases referred to the local court of common pleas

Note: The state fiscal year is July 1 through June 30. For example, FY 2011 is July 1, 2010 – June 30, 2011.

- There could be a potential decrease in expenditures in the Motor Vehicle Dealers Board Fund in the Department of Public Safety's budget, depending on the number of civil disputes that would have been heard by the Board, which would now, under the requirements of the bill, be heard by the local court of common pleas. This decrease in expenditures related to the handling of these disputes would likely not exceed minimal.

Local Fiscal Highlights

LOCAL GOVERNMENT

FY 2010 – FUTURE YEARS

Counties

Revenues - 0 -

Expenditures Potential increase, not likely more than minimal, depending on the number of cases referred from the State Motor Vehicle Dealers Board

Note: For most local governments, the fiscal year is the calendar year. The school district fiscal year is July 1 through June 30.

- There could be a potential increase in expenditures for a local court of common pleas, depending on the number of disputes that would have been heard by the Board, which would now, under the requirements of the bill, be heard by the local court of common pleas. This increase in case processing expenditures would likely not exceed minimal.

Detailed Fiscal Analysis

Overview

The bill modifies the law relative to the termination of franchises and prohibited acts under the Motor Vehicle Dealers Law. From a fiscal standpoint, the bill primarily makes changes to the requirements related to Motor Vehicle Dealers Board hearings. Rather than all hearings being conducted by the Board, any involving disputes arising between a manufacturer or distributor and a new motor vehicle dealer related to the termination of a franchise would be required to be resolved by a court of competent jurisdiction, most likely a court of common pleas.

State fiscal effects

Since 2005, the Board has heard 65 disputes, averaging approximately 13 hearings a year. There could be a potential decrease in expenditures in the Motor Vehicle Dealers Board Fund in the Department of Public Safety's budget, depending on the number of disputes that would have been heard by the Board that would, under the requirements of the bill, now be heard by the local court of common pleas. This decrease in expenditures would likely not exceed minimal.

Local fiscal effects

There could be a potential increase in expenditures for a local court of common pleas, depending on the number of disputes that would have been heard by the Board, which would now, under the requirements of the bill, be heard by the local court of common pleas. This increase in expenditures to process these additional civil matters would likely not exceed minimal.