LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS FISCAL IMPACT STATEMENT

LS 7379 BILL NUMBER: SB 484 **NOTE PREPARED:** Jan 27, 2025 **BILL AMENDED:**

SUBJECT: Recreational Vehicle Dealers.

FIRST AUTHOR: Sen. Doriot FIRST SPONSOR: Rep. Miller D BILL STATUS: As Passed Senate

FUNDS AFFECTED: X GENERAL X DEDICATED FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill sets forth requirements for recreational vehicle dealer agreements for the sale of recreational vehicles in Indiana. It prohibits Sunday sales of recreational vehicles. It also makes conforming changes.

Effective Date: July 1, 2025.

Explanation of State Expenditures: The bill would increase the workload of the Secretary of State to promulgate rules governing regulations for recreational vehicle (RV) manufacturers, distributors, and dealers. Increases in workload are within the routine administrative function of the agency.

The bill could also increase the workload of the Secretary of State to investigate and enforce provisions of the bill. Increases in agency workload could be financed with the collection of civil penalties assessed for violations.

<u>Additional Information</u> - Currently, the sale of RVs would fall under the purview of the Secretary of State as a motor vehicle. The bill would codify practices of RV manufacturers, distributors, and dealers, the violation of which would be actionable by the Secretary of State.

The bill also prohibits the sale of RVs on Sundays, unless the sale occurs as part of a recreational vehicle show. This change would conform RV sales to that of motorcycles and other vehicles sold on Sundays under a special event permit. This change is expected to have no impact on workload of the Secretary of States.

Explanation of State Revenues: <u>Summary</u> - The bill would increase revenue to the Dealer Enforcement Account to the extent recreational vehicle manufacturers, distributors, or dealers violate the provisions of the bill. The bill's total impact on state revenue is indeterminable.

Additional Information -

Dealer Services: Statute currently authorizes the Secretary of State to levy civil penalties up to \$10,000 per

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violation of any provisions law governing dealer services (IC 9-32-17-1). Revenue collected from civil penalties is currently deposited in the Dealer Enforcement Account.

The bill specifies that violation of the provisions in the bill governing RV manufacturers, distributors, and dealers would also be subject to these current civil penalties, but also allows additional civil penalties up to \$1,000 per violation that would be deposited in the Dealer Enforcement Account. By expanding regulations of RV manufacturers, distributors, and dealers, this bill could increase revenue to the Dealer Enforcement Account from additional violations. Increases in revenue are indeterminable.

Civil Actions: The bill authorizes RV manufacturers, distributors, and dealers to seek remedy in civil court for violations of RV dealer agreements. If additional civil cases occur and court fees are collected, revenue to the state General Fund will increase. The total revenue per case would range between \$100 and \$122. The amount deposited will vary depending on whether the case is filed in a court of record or a municipal court. The following linked document describes the fees and distribution of the revenue: <u>Court fees imposed in civil, probate, and small claims cases</u>.

Explanation of Local Expenditures:

Explanation of Local Revenues: *Civil Actions*: If additional cases occur, revenue will be collected by certain local units. If the case is filed in a court of record, the county will receive \$32 and qualifying municipalities will receive a share of \$3. If the case is filed in a municipal court, the county receives \$20, and the municipality will receive \$37. The following linked document describes the fees and distribution of the revenue: Court fees imposed in civil, probate, and small claims cases.

State Agencies Affected: Secretary of State.

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

Information Sources: Indiana Supreme Court, Indiana Trial Court Fee Manual SOS Dealer Services Division Website; https://www.in.gov/sos/dealer/requirements/off-site-sales-requirements/

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