

FISCAL NOTE

**STATE OF ALASKA
2010 LEGISLATIVE SESSION**

Fiscal Note Number:	1
Bill Version:	SB 272
(S) Publish Date:	2/24/10

Identifier (file name):	SB272-LAW-CIV-02-19-10	Dept. Affected:	Law
Title:	An act relating to charges for rented motor vehicles, cost recovery fees, and making violation the rented motor vehicle charge provisions an unfair trade practice	RDU	Civil
		Component	Commercial and Fair Business
Sponsor	Senator Huggins		
Requester	Transportation	Component Number	2717

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
OPERATING EXPENDITURES							
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES							
CHANGE IN REVENUES ()							
FUND SOURCE	(Thousands of Dollars)						
1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time	
Part-time	
Temporary	

ANALYSIS: *(Attach a separate page if necessary)*

SB 272 will require rental car companies to separately identify a "cost recovery fee" in the rental contract. "Cost recovery fee" is defined to mean a vehicle licensing cost recovery fee, an airport-related cost, a government tax, or a government surcharge. The bill will also prohibit rental car companies from charging a vehicle licensing fee unless the fee represents a good faith estimate by the rental car business of the average daily cost to the rental car business of recovering its actual total annual licensing costs in the state during a calendar year. Finally, the bill makes a violation of this law an unfair trade practice under AS 45.50.471. The Department of Law enforces the Unfair and Deceptive Trade Practices Act, AS 45.50.471. We do not expect that this bill, if enacted, would generate substantial new enforcement activity, and the Department would absorb any such enforcement within existing resources, therefore the fiscal impact is considered zero.

Prepared by: <u>Eileen Donahue, Division Operations Manager</u>	Phone 465-5427
Division <u>Administrative Services</u>	Date/Time <u>2/19/10 5:30 PM</u>
Approved by: <u>Daniel S. Sullivan, Attorney General</u>	Date <u>2/19/2010</u>
Department of Law	