



**153rd GENERAL ASSEMBLY
FISCAL NOTE**

BILL:	SENATE BILL NO. 36
SPONSOR:	Senator Brown
DESCRIPTION:	AN ACT TO AMEND TITLE 21 OF THE DELAWARE CODE RELATING TO CAR PURCHASE CONTRACT CANCELLATION OPTION AGREEMENTS.

Assumptions:

1. This Act becomes effective upon signature by the Governor. Upon signature, this Act takes effect 90 days after its enactment into law.
2. This Act requires dealers to offer car buyers the opportunity to purchase a contract cancellation option agreement.
3. The Department of Transportation (DOT), Division of Motor Vehicles (DMV) currently issues and regulates the licensure for approximately 600 dealerships in Delaware. This Act would expand the DMV's responsibilities to include oversight and auditing of purchase agreements.
4. To implement the provisions of this Act, the DMV anticipates the need for additional investigative staff. Recurring costs are estimated to be \$451,204 and one-time costs are estimated to be \$134,00 and are as follows:
 - a. Recurring Costs: \$331,204 in Personnel Costs, including Other Employment Costs (OECs) at a rate of 33.34%, for 3.0 FTE Investigator III positions, and 1.0 FTE Investigative Supervisor.
 - b. One-Time Costs: \$134,000 for three unmarked vehicles, and supplies for general employee startup costs such as computers and supplies.
5. Fiscal Year 2026 personnel costs have been estimated for 9 months of funding, with the annualization of the remaining three months incorporated into subsequent years.
6. Personnel costs are assumed to increase at a rate of 2% annually.

Cost:

	<u>Ongoing Costs</u> <u>Transportation Trust Fund</u>	<u>One-Time Costs</u> <u>Transportation Trust Fund</u>
Fiscal Year 2026:	\$248,403	\$134,000
Fiscal Year 2027:	\$337,828	
Fiscal Year 2028:	\$344,584	

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Office of the Controller General