

## **STATEMENT OF PURPOSE**

### **RS21778C1**

Consumer Asset Recovery Fund. Currently Idaho Code provides that all licensed vehicle and vessel dealerships have a surety bond as a part of their licensing requirements. The current bonding levels have been in place for more than 15 years, at \$20,000 for vehicle dealers, and \$10,000 for motorcycles, off-road vehicles and trailer dealers. The surety bond levels have not kept pace with the rising increase in vehicle prices.

The Dealer Advisory Board which is appointed by the Governor to work with the Idaho Transportation Department has researched creating a consumer asset recovery fund which requires all licensed dealers to contribute to a fund that will be solely funded by dealers as part of their annual licensing fees, and will be deposited in the State Treasury jurisdiction. Under this new ICAR fund the consumer will be protected up to \$50,000, an increase of 250%.

The fund will pay any related expenses to administer the fund.

### **FISCAL NOTE**

No cost to General Fund.

#### **Contact:**

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