



NEWS RELEASE

CALIFORNIA SECRETARY OF STATE **KEVIN SHELLEY**

KS05:010

FOR IMMEDIATE RELEASE
Tuesday, February 22, 2005

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Proposed Initiative Enters Circulation

Car Dealers. Buyers' Right to Cancel Purchase. Seller Disclosures. Initiative Statute.

SACRAMENTO, CA --- Secretary of State Kevin Shelley announced Friday that the proponents of a new initiative may begin collecting petition signatures for their measure.

The Attorney General's official title and summary is as follows:

CAR DEALERS. BUYERS' RIGHT TO CANCEL PURCHASE. SELLER DISCLOSURE. INITIATIVE STATUTE.

- Allows buyer of used automobile to return automobile to dealer, cancel purchase within three business days and receive full refund, less reasonable mileage.
- Requires that dealers disclose credit scores.
- Limits dealer loan fees to \$150.
- Prohibits dealers from accepting additional compensation from certain lenders.
- Requires dealers to disclose monthly cost of financing optional items.
- Prohibits sale of vehicles failing smog standards.
- Increases discretionary penalties in warranty or advertising lawsuit filed by or for members of military.

The summary of the estimated fiscal impact on state and local governments, as determined by the Legislative Analyst and Director of Finance, indicates that this measure would have the following major fiscal impact: various possible impacts on state and local government revenues resulting from changes in the financing of vehicle sales. The net fiscal impact of these changes is unknown.

The proponents, Roberta B. Johansen, and James C. Harrison, must collect 373,816 signatures of registered voters, equal in number to five percent of the total votes cast for governor in the 2002 gubernatorial election, in order to qualify the measure. The 150-day deadline to circulate petitions for this measure is July 18, 2005. The initiative proponents can be reached at 510-346-6200.

For a copy of the complete text, title & summary, and circulation calendar, please contact the Secretary of State's Press Office at 916-653-6575.