



NEWS RELEASE

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Proposed Automobile Dealer and Used Car Buyer-Related Initiative Enters Circulation

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

SACRAMENTO --- The proponents of an initiative to allow used auto buyers cancel their purchases, among other auto dealer-related provisions, has received clearance to begin collecting petition signatures for their measure, it was announced by the Secretary of State's Office today.

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

AUTOMOBILE DEALERS. BUYERS' RIGHT TO CANCEL PURCHASE. SELLER DISCLOSURES. 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 offset. Requires that dealers disclosure 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 advertising or selling used vehicles as "certified," except in limited circumstances. Prohibits sale of vehicles failing smog standards.

Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: 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, James C. Harrison and Douglas G. Denton, must collect 373,816 signatures of registered voters, equal to five percent of the total votes cast for governor in the 2002 gubernatorial election, in order to qualify their measure. The 150-day deadline to circulate petitions for this measure is August 12, 2005. The initiative proponents can be reached through the law firm of Remcho, Johansen & Purcell, 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.