

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 83rd General Assembly
3 Regular Session, 2001
4

As Engrossed: H4/3/01

A Bill

Act 1600 of 2001
SENATE BILL 854

5 By: Senator P. Malone
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For An Act To Be Entitled

9 AN ACT TO REQUIRE MOTOR VEHICLE DEALERS TO
10 DISCLOSE DOCUMENTARY FEES TO PURCHASERS OF MOTOR
11 VEHICLES; AND FOR OTHER PURPOSES.
12

Subtitle

14 TO REQUIRE MOTOR VEHICLE DEALERS TO
15 DISCLOSE DOCUMENTARY FEES TO PURCHASERS
16 OF MOTOR VEHICLES.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code Title 23, Chapter 112, Subchapter 3 is
22 amended to add an additional section to read as follows:

23 23-112-315. Motor vehicle dealer documentary fees - Disclosures.

24 (a) A motor vehicle dealer may charge a documentary fee for services
25 rendered to, for, or on behalf of a purchaser in preparing, handling, and
26 processing documents relating to, and closing a retail installment
27 transaction involving, a new motor vehicle.

28 (b) If a documentary fee is charged under this section, the fee:

29 (1) Must be charged to all purchasers, cash buyers and credit
30 buyers; and

31 (2) Must be disclosed on the buyers order form as a separate
32 itemized charge.

33 (c) A preliminary work sheet on which a sale price is computed and
34 that is shown to the purchaser, a buyers order form from the purchaser, or a
35 retail installment contract shall include in reasonable proximity to the
36 place on the document where the documentary fee is disclosed:

- 1 (1) The amount of the fee; and
- 2 (2) The following notice in type that is bold-faced,
- 3 capitalized, or underlined or otherwise conspicuously set out from the
- 4 surrounding written material:

5 "A DOCUMENTARY FEE IS NOT AN OFFICIAL FEE. A DOCUMENTARY FEE IS NOT

6 REQUIRED BY LAW, BUT MAY BE CHARGED TO BUYERS FOR HANDLING DOCUMENTS AND

7 PERFORMING SERVICES RELATING TO THE CLOSING OF A SALE. THIS NOTICE IS

8 REQUIRED BY LAW."

9 (d) The Arkansas Motor Vehicle Commission is authorized to promulgate

10 rules and regulation to implement, enforce, and administer this section.

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12 SECTION 2. Arkansas Code Title 23, Chapter 112, Subchapter 6 is

13 amended to add an additional section to read as follows:

14 23-112-612. Used motor vehicle dealer documentary fees - Disclosures.

15 (a) A used motor vehicle dealer may charge a documentary fee for

16 services rendered to, for, or on behalf of a purchaser in preparing,

17 handling, and processing documents relating to, and closing a retail

18 installment transaction involving, a motor vehicle.

19 (b) If a documentary fee is charged under this section, the fee:

20 (1) Must be charged to all purchasers, cash buyers and credit

21 buyers; and

22 (2) Must be disclosed on the buyers order form as a separate

23 itemized charge.

24 (c) A preliminary work sheet on which a sale price is computed and

25 that is shown to the purchaser, a buyers order form from the purchaser, or a

26 retail installment contract shall include in reasonable proximity to the

27 place on the document where the documentary fee is disclosed:

28 (1) The amount of the fee; and

29 (2) The following notice in type that is bold-faced,

30 capitalized, or underlined or otherwise conspicuously set out from the

31 surrounding written material:

32 "A DOCUMENTARY FEE IS NOT AN OFFICIAL FEE. A DOCUMENTARY FEE IS NOT

33 REQUIRED BY LAW, BUT MAY BE CHARGED TO BUYERS FOR HANDLING DOCUMENTS AND

34 PERFORMING SERVICES RELATING TO THE CLOSING OF A SALE. THIS NOTICE IS

35 REQUIRED BY LAW."

36 (d) The Department of Arkansas State Police is authorized to

1 promulgate rules and regulations to implement, enforce, and administer this
2 section.

3 */s/ P. Malone*

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6 APPROVED: 4/13/2001
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