ARKANSAS SENATE

85th General Assembly - Regular Session, 2005

Amendment Form

Subtitle of Senate Bill No. 919

"TO ALLOW MOTOR VEHICLE DEALERS MORE DISCRETION FOR CHARGING DOCUMENTARY FEES."

Amendment No. 1 to Senate Bill No. 919.

Amend Senate Bill No. 919 as originally introduced:

Delete everything after the enacting clause and substitute:

"SECTION 1. Arkansas Code § 23-112-315 is repealed.

23-112-315. Motor vehicle dealer documentary fees - Disclosures. (a) A motor vehicle dealer may charge a documentary fee for services

rendered to, for, or on behalf of a purchaser in preparing, handling, and processing documents relating to, and closing a retail installment transaction involving, a new motor vehicle.

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

(1) Charged to all purchasers, cash buyers, and credit buyers;

(2) Disclosed on the buyer's order form as a separate itemized

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

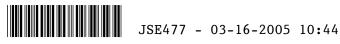
(1) The amount of the fee; and

(2) The following notice in type that is bold-faced, capitalized, or underlined or otherwise conspicuously set out from the surrounding written material:

"A DOCUMENTARY FEE IS NOT AN OFFICIAL FEE. A DOCUMENTARY FEE IS NOT REQUIRED BY LAW, BUT MAY BE CHARGED TO BUYERS FOR HANDLING DOCUMENTS AND PERFORMING SERVICES RELATING TO THE CLOSING OF A SALE. THIS NOTICE IS REQUIRED BY LAW."

(d) The Arkansas Motor Vehicle Commission is authorized to promulgate rules and regulations to set a reasonable limit on the amount to be charged for a documentary fee under subsection (a) of this section and to implement, enforce, and administer this section.

SECTION 2. Arkansas Code § 23-112-612 is repealed. 23-112-612. Used motor vehicle dealer documentary fees - Disclosures.



and

charge.

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

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

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(1) Charged to all purchasers, cash buyers, and credit buyers;

and

(2) Disclosed on the buyers' order form as a separate itemized

charge.

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

(1) The amount of the fee; and

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

capitalized, or underlined or otherwise conspicuously set out from the surrounding written material:

"A DOCUMENTARY FEE IS NOT AN OFFICIAL FEE. A DOCUMENTARY FEE IS NOT REQUIRED BY LAW, BUT MAY BE CHARGED TO BUYERS FOR HANDLING DOCUMENTS AND PERFORMING SERVICES RELATING TO THE CLOSING OF A SALE. THIS NOTICE IS REQUIRED BY LAW."

(d) The Department of Arkansas State Police is authorized to promulgate rules and regulations to implement, enforce, and administer this section."

The Amendment was read the first time, rules suspended and read the second time and _______By: Senator Malone JSE/JSE - 03-16-2005 10:44 ________Secretary Secretary