

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 Arkansas Code § 23-112-315 is repealed.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; and~~

~~(2) Disclosed on the buyer's 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 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 Arkansas Code § 23-112-612 is repealed.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.~~



~~(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:~~

~~(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
JSE477

Secretary