

ARKANSAS SENATE
85th General Assembly - Regular Session, 2005
Amendment Form

Subtitle of Senate Bill No. 920

"TO REQUIRE THE ARKANSAS MOTOR VEHICLE COMMISSION TO SET A
REASONABLE LIMIT FOR THE DOCUMENTARY FEES CHARGED BY NEW AND USED
MOTOR VEHICLE DEALERS NOT TO EXCEED NINETY-NINE DOLLARS (\$99.00)."

Amendment No. 1 to Senate Bill No. 920.

Amend Senate Bill No. 920 as originally introduced:

Page 2, delete lines 3 through 8 and substitute the following:

~~(b)~~(c)(1) If a documentary fee is charged under this section, the fee must be:

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

~~(2)~~(B) Disclosed on the buyer's order form as a separate itemized charge.

(2)(A) If a documentary fee is charged the motor vehicle dealer must follow the procedures for disclosure set out in this subsection (c) when charging any consumer a documentary fee as provided for in this section.

(B) The motor vehicle dealer must obtain the client's signature on a separate disclosure form. The form must also be signed by the motor vehicle dealer or the dealer's representative.

(C) The motor vehicle dealer must disclose, to any consumer, the following information in the written disclosure form:

(i) A clear and complete explanation of the documentary fee being charged;

(ii) The amount of the fee; and

(iii) The following notice in type that is bold-face, capitalized, or underlined or other wise 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 RELATED TO THE CLOSING OF A SALE. THIS NOTICE IS REQUIRED BY LAW.

(D) A signed copy of the disclosure form must be provided to the consumer.

(3)(A) If a documentary fee is charged, the dealer shall prominently display a poster or sign measuring at least 11' x 14' in each general manager office, sales manager office, sales personnel office, and



finance and insurance office.

(B) The poster or sign shall include the following information:

- (i) The dealership charges a documentary fee; and
- (ii) The amount of the fee.”

AND

Page 2, line 20, delete “is authorized to” and substitute “is authorized to shall”

AND

Page 2, delete lines 24 and 25 and substitute the following:

“(2) No documentary fee shall exceed ninety-nine dollars (\$99.00).

(f) 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 used motor vehicle. If the motor vehicle dealer charges a documentary fee on a used motor vehicle, the fee shall comply with the same requirements as for a documentary fee by a used motor vehicle dealer under § 21-112-612.”

The Amendment was read the first time, rules suspended and read the second time and _____

By: Senator Malone
JDF/JDF - 03-31-2005 16:50
JDF453

Secretary