

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 85th General Assembly
3 Regular Session, 2005

A Bill

SENATE BILL 919

4
5 By: Senator Malone
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For An Act To Be Entitled

8
9 AN ACT TO ALLOW MOTOR VEHICLE DEALERS MORE
10 DISCRETION FOR CHARGING DOCUMENTARY FEES; AND FOR
11 OTHER PURPOSES.
12

Subtitle

13
14 TO ALLOW MOTOR VEHICLE DEALERS MORE
15 DISCRETION FOR CHARGING DOCUMENTARY
16 FEES.
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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 § 23-112-315 is amended to read as follows:

22 23-112-315. Motor vehicle dealer documentary fees - Disclosures.

23 (a)(1) For purposes of this section, "documentary fee" means any
24 charge for services rendered to, for, or on behalf of a purchaser of a new
25 motor vehicle for the preparation, completion, handling, or processing of
26 documents relating to the sale of a new motor vehicle.

27 (2) "Documentary fee" includes, but is not limited to:

28 (A) An administration fee; and

29 (B) Any other fee or charge that is similar to a
30 documentary fee.

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

35 ~~(b)~~(c) If a documentary fee is charged under this section, the fee
36 must be+



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

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

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

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

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

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

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21 SECTION 2. Arkansas Code § 23-112-612 is amended to read as follows:
22 23-112-612. Used motor vehicle dealer documentary fees - Disclosures.

23 (a)(1) For purposes of this section, "documentary fee" means any
24 charge for services rendered to, for, or on behalf of a purchaser of a used
25 motor vehicle for the preparation, completion, handling, or processing of
26 documents relating to the sale of a used motor vehicle.

27 (2) "Documentary fee" includes, but is not limited to:

- 28 (A) An administration fee; and
- 29 (B) Any other fee or charge that is similar to a
- 30 documentary fee.

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

35 ~~(b)~~(c) If a documentary fee is charged under this section, the fee
36 must be+

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

3 ~~(2) Disclosed~~ disclosed on the buyers' order form as a separate
4 itemized charge.

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

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

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

16 ~~(d)~~(e) The Department of Arkansas State Police is authorized to
17 promulgate rules and regulations to implement, enforce, and administer this
18 section.

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