

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 920

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

9 AN ACT TO REQUIRE THE ARKANSAS MOTOR VEHICLE  
10 COMMISSION TO SET A REASONABLE LIMIT FOR THE  
11 DOCUMENTARY FEES CHARGED BY NEW AND USED MOTOR  
12 VEHICLE DEALERS NOT TO EXCEED NINETY-NINE DOLLARS  
13 (\$99.00); AND FOR OTHER PURPOSES.  
14

## Subtitle

15 TO REQUIRE THE ARKANSAS MOTOR VEHICLE  
16 COMMISSION TO SET A REASONABLE LIMIT FOR  
17 THE DOCUMENTARY FEES CHARGED BY NEW AND  
18 USED MOTOR VEHICLE DEALERS NOT TO EXCEED  
19 NINETY-NINE DOLLARS (\$99.00).  
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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25 SECTION 1. Arkansas Code § 23-112-315 is amended to read as follows:

26 23-112-315. Motor vehicle dealer documentary fees - Disclosures.

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

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

32 (A) An administration fee; and

33 (B) Any other fee or charge that is similar to a  
34 documentary fee.

35 ~~(a)(b)~~ A motor vehicle dealer may charge a documentary fee for  
36 services rendered to, for, or on behalf of a purchaser in preparing,



1 handling, and processing documents relating to, and closing a retail  
2 installment transaction involving, a new motor vehicle.

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

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

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

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

13 (1) The amount of the fee; and

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

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

20 ~~(d)~~(e)(1) The Arkansas Motor Vehicle Commission is authorized to  
21 promulgate rules and regulations to set a reasonable limit on the amount to  
22 be charged for a documentary fee under subsection (a) of this section and to  
23 implement, enforce, and administer this section.

24 (2) The reasonable limit on the amount of a documentary fee  
25 shall not exceed ninety-nine dollars (\$99.00).

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27 SECTION 2. Arkansas Code § 23-112-612 is amended to read as follows:  
28 23-112-612. Used motor vehicle dealer documentary fees - Disclosures.

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

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

34 (A) An administration fee; and

35 (B) Any other fee or charge that is similar to a  
36 documentary fee.

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

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

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

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

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

15               (1) The amount of the fee; and

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

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

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

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