

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 921

4
5 By: Senator Malone
6
7

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 MOTOR VEHICLE
12 DEALERS BY JUNE 30, 2006; TO DISSOLVE THE
13 ARKANSAS MOTOR VEHICLE COMMISSION ON JULY 1,
14 2006, IF THE ARKANSAS MOTOR VEHICLE COMMISSION
15 FAILS TO SET A REASONABLE LIMIT FOR DOCUMENTARY
16 FEES CHARGED BY NEW MOTOR VEHICLE DEALERS; AND
17 FOR OTHER PURPOSES.

Subtitle

18
19
20 TO REQUIRE THE ARKANSAS MOTOR VEHICLE
21 COMMISSION TO SET A REASONABLE LIMIT FOR
22 THE DOCUMENTARY FEES CHARGED BY NEW
23 MOTOR VEHICLE DEALERS BY JUNE 30, 2006.
24
25

26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
27

28 SECTION 1. Arkansas Code § 23-112-315 is amended to read as follows:
29 23-112-315. Motor vehicle dealer documentary fees - Disclosures.

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

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

35 (A) An administration fee; and

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



1 documentary fee.

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

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

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

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

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

16 (1) The amount of the fee; and

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

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

23 ~~(d)~~(e) The On or before June 30, 2006, the Arkansas Motor Vehicle
24 Commission ~~is authorized to~~ shall promulgate rules and regulations to set a
25 reasonable limit on the amount to be charged for a documentary fee under
26 subsection (a) of this section and to implement, enforce, and administer this
27 section.

28
29 SECTION 2. Effective July 1, 2006, if the Arkansas Motor Vehicle
30 Commission fails to set a limit on the amount to be charged for documentary
31 fees under Arkansas Code § 23-112-315, Arkansas Code § 23-112-201 is
32 repealed.

33 ~~23-112-201. Arkansas Motor Vehicle Commission Creation Members~~
34 ~~Officers.~~

35 ~~(a) There is created the Arkansas Motor Vehicle Commission,~~
36 ~~hereinafter referred to as the commission, to be composed of nine (9) members~~

1 to be appointed by the Governor for terms of seven (7) years, subject to
2 confirmation by the Senate.

3 (b)(1) ~~One (1) commissioner shall be appointed from each of the four~~
4 ~~(4) congressional districts of the state as constituted July 1, 1975, and~~
5 ~~five (5) members of the commission, including the consumer representative and~~
6 ~~the representative of the elderly, shall be appointed from the state at~~
7 ~~large.~~

8 (2)(A) ~~Four (4) members of the commission shall be licensees or~~
9 ~~shall be qualified as licensees under the provisions of this chapter at the~~
10 ~~time of their appointment.~~

11 (B) ~~Five (5) members of the commission shall be appointed~~
12 ~~from the public at large, including the consumer representative and the~~
13 ~~representative of the elderly.~~

14 (C) ~~No more than four (4) members of the commission shall~~
15 ~~at any time be licensees under this chapter or have any financial interest~~
16 ~~in, or be an officer or an employee of, a licensee of this chapter, and at~~
17 ~~least one (1) of them shall be licensed as a dealer of franchise motorcycles.~~

18 (3) ~~The consumer representative and the representative of the~~
19 ~~elderly shall not be actively engaged in or retired from the businesses~~
20 ~~regulated by this chapter. The two (2) positions may not be held by the same~~
21 ~~person. Both shall be full voting members. The representative of the elderly~~
22 ~~shall be sixty (60) years of age or older.~~

23 (4) ~~Each of the members appointed shall be a citizen of the~~
24 ~~United States, a resident of the State of Arkansas, and a qualified elector~~
25 ~~of the jurisdiction from which appointed, and each shall be of good moral~~
26 ~~character.~~

27 (c) ~~In the event a vacancy on the commission occurs due to death,~~
28 ~~resignation, or other reason, the vacancy shall be filled for the unexpired~~
29 ~~portion of the term by appointment of the Governor, subject to confirmation~~
30 ~~by the Senate, of a person meeting the same qualifications required for the~~
31 ~~initial appointment.~~

32 (d) ~~Each commission member shall serve until his or her successor is~~
33 ~~appointed and qualified.~~

34 (e) ~~The commission shall select by majority vote of its members one~~
35 ~~(1) of its members as a chair, one (1) as a vice chair, and one (1) as a~~
36 ~~secretary.~~

1 ~~(f)(1) The Chair of the Arkansas Motor Vehicle Commission and members~~
2 ~~of the commission may receive expense reimbursement and stipends in~~
3 ~~accordance with § 25-16-901 et seq.~~

4 ~~(2) The chair shall require itemized statements of all~~
5 ~~reimbursable expenses and shall audit the statements or cause them to be~~
6 ~~audited before approving them for payment.~~

7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36