

1 State of Arkansas
2 90th General Assembly
3 Regular Session, 2015

A Bill

HOUSE BILL 1889

4
5 By: Representative Fielding

For An Act To Be Entitled

8 AN ACT TO REPEAL MOTOR VEHICLE DEALER SERVICE AND
9 HANDLING FEES; AND FOR OTHER PURPOSES.

Subtitle

12 TO REPEAL MOTOR VEHICLE DEALER SERVICE
14 AND HANDLING FEES.

16
17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

18
19 SECTION 1. Arkansas Code § 23-112-317 is repealed.

20 ~~23-112-317. Motor vehicle dealer service and handling fees.~~

21 ~~(a) A motor vehicle dealer may fill in the blanks on standardized~~
22 ~~forms in connection with the sale or lease of a new or a used motor vehicle~~
23 ~~if the motor vehicle dealer does not charge for the service of filling in the~~
24 ~~blanks or otherwise charge for preparing documents.~~

25 ~~(b)(1) A motor vehicle dealer may charge a service and handling fee in~~
26 ~~connection with the sale or lease of a new or a used motor vehicle for:~~

27 ~~(A) The handling, processing, and storage of documents;~~

28 and

29 ~~(B) Other administrative and clerical services.~~

30 ~~(2)(A) The service and handling fee may be charged to allow cost~~
31 ~~recovery for motor vehicle dealers.~~

32 ~~(B) A portion of the service and handling fee may result~~
33 ~~in profit to the motor vehicle dealer.~~

34 ~~(c)(1) The Arkansas Motor Vehicle Commission shall determine by rule~~
35 ~~the amount of the service and handling fee that may be charged by a motor~~
36 ~~vehicle dealer. The service and handling fee shall be no less than zero~~



1 dollars ~~(\$0.00)~~ and no more than one hundred twenty nine dollars ~~(\$129)~~.

2 (2) ~~If a service and handling fee is charged under this section,~~
 3 ~~the service and handling fee shall be:~~

4 (A) ~~Charged to all retail customers; and~~

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

7 (3) ~~If a service and handling fee is charged under this section,~~
 8 ~~the service and handling fee is not required to be charged to all fleet~~
 9 ~~sales.~~

10 (d) ~~A preliminary worksheet on which a sale price is computed and that~~
 11 ~~is shown to the purchaser, a retail buyer's order form from the purchaser, or~~
 12 ~~a retail installment contract shall include in reasonable proximity to the~~
 13 ~~place on the document where the service and handling fee authorized by this~~
 14 ~~section is disclosed:~~

15 (1) ~~The amount of the service and handling fee; and~~

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

19 ~~"A SERVICE AND HANDLING FEE IS NOT AN OFFICIAL FEE. A SERVICE AND HANDLING~~
 20 ~~FEE IS NOT REQUIRED BY LAW BUT MAY BE CHARGED TO THE CUSTOMER FOR PERFORMING~~
 21 ~~SERVICES AND HANDLING DOCUMENTS RELATING TO THE CLOSING OF A SALE OR LEASE.~~
 22 ~~THE SERVICE AND HANDLING FEE MAY RESULT IN PROFIT TO THE DEALER. THE SERVICE~~
 23 ~~AND HANDLING FEE DOES NOT INCLUDE PAYMENT FOR THE PREPARATION OF LEGAL~~
 24 ~~DOCUMENTS. THIS NOTICE IS REQUIRED BY LAW."~~

25 (e) ~~The Arkansas Motor Vehicle Commission may promulgate rules to~~
 26 ~~implement, enforce, and administer this section.~~

27
 28 SECTION 2. Arkansas Code § 23-112-617 is repealed.

29 ~~23-112-617. Used motor vehicle dealer service and handling fee.~~

30 (a) ~~A used motor vehicle dealer may fill in the blanks on standardized~~
 31 ~~forms in connection with the sale or lease of used motor vehicles if the~~
 32 ~~motor vehicle dealer does not charge for the service of filling in the blanks~~
 33 ~~or otherwise charge for preparing documents.~~

34 (b)(1) ~~A used motor vehicle dealer may charge a service and handling~~
 35 ~~fee in connection with the sale or lease of a used motor vehicle for:~~

36 (A) ~~The handling, processing, and storage of documents;~~

1 and

2 ~~(B) Other administrative and clerical services.~~

3 ~~(2)(A) The service and handling fee may be charged to allow cost~~
 4 ~~recovery for used motor vehicle dealers.~~

5 ~~(B) A portion of the service and handling fee may result~~
 6 ~~in profit to the used motor vehicle dealer.~~

7 ~~(c)(1) The Department of Arkansas State Police shall determine by rule~~
 8 ~~the amount of the service and handling fee that may be charged by a used~~
 9 ~~motor vehicle dealer. The service and handling fee shall be no less than zero~~
 10 ~~dollars (\$0.00) and no more than one hundred twenty nine dollars (\$129).~~

11 ~~(2) If a service and handling fee is charged under this~~
 12 ~~section, the service and handling fee shall be:~~

13 ~~(A) Charged to all retail customers; and~~

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

16 ~~(d) A preliminary work sheet on which a sale price is computed and~~
 17 ~~that is shown to the purchaser, a retail buyer's order form from the~~
 18 ~~purchaser, or a retail installment contract shall include in reasonable~~
 19 ~~proximity to the place on the document where the service and handling fee~~
 20 ~~authorized by this section is disclosed.~~

21 ~~(1) The amount of the service and handling fee; and~~

22 ~~(2) The following notice in type that is bold faced,~~
 23 ~~capitalized, underlined, or otherwise conspicuously set out from the~~
 24 ~~surrounding written material:~~

25 ~~"A SERVICE AND HANDLING FEE IS NOT AN OFFICIAL FEE. A SERVICE AND HANDLING~~
 26 ~~FEE IS NOT REQUIRED BY LAW BUT MAY BE CHARGED TO THE CUSTOMER FOR PERFORMING~~
 27 ~~SERVICES AND HANDLING DOCUMENTS RELATING TO THE CLOSING OF A SALE OR LEASE.~~
 28 ~~THE SERVICE AND HANDLING FEE MAY RESULT IN PROFIT TO THE DEALER. THE SERVICE~~
 29 ~~AND HANDLING FEE DOES NOT INCLUDE PAYMENT FOR THE PREPARATION OF LEGAL~~
 30 ~~DOCUMENTS. THIS NOTICE IS REQUIRED BY LAW."~~

31 ~~(e) The Department of Arkansas State Police may promulgate rules to~~
 32 ~~implement, enforce, and administer this section.~~

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