

1 State of Arkansas
2 90th General Assembly
3 Regular Session, 2015
4

As Engrossed: H3/18/15

A Bill

HOUSE BILL 1889

5 By: Representative Fielding
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For An Act To Be Entitled

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

11 TO REPEAL MOTOR VEHICLE DEALER SERVICE
12 AND HANDLING FEES.
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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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19 *SECTION 1. Arkansas Code § 23-112-317 is amended to read as follows:*
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 used motor vehicle if*
23 *the motor vehicle dealer does not charge more than ten dollars (\$10.00) for*
24 *the service of filling in the blanks or otherwise charge for preparing*
25 *documents.*

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

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

29 and

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

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

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

35 ~~(c)(1) The Arkansas Motor Vehicle Commission shall determine by rule~~
36 ~~the amount of the service and handling fee that may be charged by a motor~~



1 ~~vehicle dealer. The service and handling fee shall be no less than zero~~
2 ~~dollars (\$0.00) and no more than one hundred twenty nine dollars (\$129).~~

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

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

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

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

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

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

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

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

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

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

30 ~~23-112-617. Used motor vehicle dealer service and handling fee.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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36 /s/Fielding