

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

As Engrossed: H3/18/15 H3/19/15

# A Bill

HOUSE BILL 1889

5 By: Representative Fielding  
6

## For An Act To Be Entitled

8 *TO AMEND THE MOTOR VEHICLE DEALER SERVICE AND*  
9 *HANDLING FEE.*

### Subtitle

12 *TO AMEND THE MOTOR VEHICLE DEALER SERVICE*  
13 *AND HANDLING FEE.*

14  
15  
16  
17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

18  
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 charge a service and handling fee in*  
22 *connection with the sale or lease of a new or a used motor vehicle to fill in*  
23 *the blanks on standardized forms and prepare documents relating to the*  
24 *closing of a sale or lease in connection with the sale or lease of a new or a*  
25 *used motor vehicle if the motor vehicle dealer does not charge for the*  
26 *service of filling in the blanks or otherwise charge for preparing documents.*  
27 *The service and handling fee shall be no more than twenty dollars (\$20.00).*

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

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

31 and

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

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

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



1           ~~(c)(1) The Arkansas Motor Vehicle Commission shall determine by rule~~  
2 ~~the amount of the service and handling fee that may be charged by a motor~~  
3 ~~vehicle dealer. The service and handling fee shall be no less than zero~~  
4 ~~dollars (\$0.00) and no more than one hundred twenty nine dollars (\$129).~~

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

7                   ~~(A)(1) Charged to all retail customers; and~~

8                   ~~(B)(2) Disclosed on the retail buyer's order form as a~~  
9 ~~separate itemized charge.~~

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

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

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

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

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

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

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31           SECTION 2. Arkansas Code § 23-112-617 is amended to read as follows:  
32           23-112-617. Used motor vehicle dealer service and handling fee.

33           (a) A used motor vehicle dealer may charge a service and handling fee  
34 in connection with the sale or lease of a new or a used motor vehicle to  
35 fill in the blanks on standardized forms and prepare documents relating to  
36 the closing of a sale or lease in connection with the sale or lease of used

~~1 motor vehicles if the motor vehicle dealer does not charge for the service of  
2 filling in the blanks or otherwise charge for preparing documents. The  
3 service and handling fee shall be no more than twenty dollars (\$20.00).~~

~~4 (b)(1) A used motor vehicle dealer may charge a service and handling  
5 fee in connection with the sale or lease of a used motor vehicle for:~~

~~6 (A) The handling, processing, and storage of documents;  
7 and~~

~~8 (B) Other administrative and clerical services.~~

~~9 (2)(A) The service and handling fee may be charged to allow cost  
10 recovery for used motor vehicle dealers.~~

~~11 (B) A portion of the service and handling fee may result  
12 in profit to the used motor vehicle dealer.~~

~~13 (c)(1) The Department of Arkansas State Police shall determine by rule  
14 the amount of the service and handling fee that may be charged by a used  
15 motor vehicle dealer. The service and handling fee shall be no less than zero  
16 dollars (\$0.00) and no more than one hundred twenty nine dollars (\$129).~~

~~17 (2)(b) If a service and handling fee is charged under this  
18 section, the service and handling fee shall be:~~

~~19 (A)(1) Charged to all retail customers; and~~

~~20 (B)(2) Disclosed on the retail buyer's order form as a  
21 separate itemized charge.~~

~~22 (d) A preliminary work sheet on which a sale price is computed and  
23 that is shown to the purchaser, a retail buyer's order form from the  
24 purchaser, or a retail installment contract shall include in reasonable  
25 proximity to the place on the document where the service and handling fee  
26 authorized by this section is disclosed:~~

~~27 (1) The amount of the service and handling fee; and~~

~~28 (2) The following notice in type that is bold faced,  
29 capitalized, underlined, or otherwise conspicuously set out from the  
30 surrounding written material:~~

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

