

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas  
90th General Assembly  
Regular Session, 2015

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

# A Bill

HOUSE BILL 1889

By: Representative Fielding

## For An Act To Be Entitled

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

### Subtitle

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

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

*SECTION 1. Arkansas Code § 23-112-317 is amended to read as follows:  
23-112-317. Motor vehicle dealer service and handling fees.*

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

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

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

and

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

*/s/Fielding*