

SECOND REGULAR SESSION

HOUSE BILL NO. 1734

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE KELLEY (126).

4536L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 301.558, RSMo, and to enact in lieu thereof one new section relating to motor vehicle dealer administration fees, with a penalty provision.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 301.558, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 301.558, to read as follows:

301.558. 1. A motor vehicle dealer, boat dealer, or powersport dealer may fill in the blanks on standardized forms in connection with the sale or lease of a new or used motor vehicle, vessel, or vessel trailer if the motor vehicle dealer, boat dealer, or powersport dealer does not charge for the services of filling in the blanks or otherwise charge for preparing documents.

2. A motor vehicle dealer, boat dealer, or powersport dealer may charge an administrative fee in connection with the sale or lease of a new or used motor vehicle, vessel, or vessel trailer for the storage of documents or any other administrative or clerical services not prohibited by this section. A portion of the administrative fee may result in profit to the motor vehicle dealer, boat dealer, or powersport dealer. **Notwithstanding the provisions of this subsection, the dealer shall give the purchaser the option of completing administrative or clerical functions under this section on his or her own, and if the purchaser chooses to do so, the dealer shall not charge any administrative fees under this section.**

3. No motor vehicle dealer, boat dealer, or powersport dealer that sells or leases new or used motor vehicles, vessels, or vessel trailers and imposes an administrative fee of less than two hundred dollars in connection with the sale or lease of a new or used vehicle, vessel, or vessel trailer for the storage of documents or any other administrative or clerical services shall be deemed to be engaging in the unauthorized practice of law.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 4. If an administrative fee is charged under this section, the administrative fee shall be
19 charged to all retail customers **who elect to have the dealer perform administrative or clerical**
20 **tasks associated with the sale of the vehicle, vessel, or vessel trailer**, and disclosed on the
21 retail buyer's order form as a separate itemized charge.

22 5. A preliminary worksheet on which a sale price is computed and that is shown to the
23 purchaser, a retail buyer's order form from the purchaser, or a retail installment contract shall
24 include, in reasonable proximity to the place on the document where the administrative fee
25 authorized by this section is disclosed, the amount of the administrative fee and the following
26 notice in type that is boldfaced, capitalized, underlined, or otherwise conspicuously set out from
27 the surrounding written material:

28 "AN ADMINISTRATIVE FEE IS NOT AN OFFICIAL FEE AND IS NOT REQUIRED
29 BY LAW BUT MAY BE CHARGED BY A DEALER. THIS ADMINISTRATIVE FEE MAY
30 RESULT IN A PROFIT TO DEALER. NO PORTION OF THIS ADMINISTRATIVE FEE IS
31 FOR THE DRAFTING, PREPARATION, OR COMPLETION OF DOCUMENTS OR THE
32 PROVIDING OF LEGAL ADVICE. THIS NOTICE IS REQUIRED BY LAW."

33 6. The general assembly believes that an administrative fee charged in compliance with
34 this section is not the unauthorized practice of law or the unauthorized business of law so long
35 as the activity or service for which the fee is charged is in compliance with the provisions of this
36 section and does not result in the waiver of any rights or remedies. Recognizing, however, that
37 the judiciary is the sole arbitrator of what constitutes the practice of law, in the event that a court
38 determines that an administrative fee charged in compliance with this section, and that does not
39 waive any rights or remedies of the buyer, is the unauthorized practice of law or the unauthorized
40 business of law, then no person who paid that administrative fee may recover said fee or treble
41 damages, as permitted under section 484.020, and no person who charged that fee shall be guilty
42 of a misdemeanor, as provided under section 484.020.

✓