

By: Holland, Phelan, Dean, Longoria

H.B. No. 2949

A BILL TO BE ENTITLED

AN ACT

relating to the maximum amount of a documentary fee charged by a retail seller of motor vehicles.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 348.006(e) and (f), Finance Code, are amended to read as follows:

(e) Prior to increasing the maximum amount of the documentary fee the retail seller charges, a retail seller shall provide written notice to the commissioner of the maximum amount of the documentary fee the retail seller intends to charge unless the maximum amount intended to be charged is considered reasonable as provided by Subsection (f). The commissioner may review the amount of a documentary fee a retail seller intends to charge for reasonableness if the retail seller is required to provide written notice of the fee increase under this subsection. In determining whether a fee charged by a retail seller is reasonable, the commissioner may consider the resources required by the retail seller to perform the retail seller's duties under state and federal law with respect to the handling and processing of documents relating to the sale and financing of a motor vehicle. If the commissioner determines that a documentary fee charged is not reasonable, the commissioner may require that the documentary fee charged be reduced or suspended.

(f) A documentary fee charged in accordance with this

1 section [~~before September 1, 2009,~~] is considered reasonable for
2 purposes of this section if the amount is less than or equal to the
3 amount of the documentary fee presumed reasonable as established by
4 rule of the finance commission.

5 SECTION 2. Sections 348.006(e) and (f), Finance Code, as
6 amended by this Act, apply only to the sale of a motor vehicle that
7 occurs on or after the effective date of this Act. The sale of a
8 motor vehicle that occurs before the effective date of this Act is
9 governed by the law in effect on the date of the sale, and the former
10 law is continued in effect for that purpose.

11 SECTION 3. This Act takes effect September 1, 2017.