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## DIGEST

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Greene

HB No. 1058

**Abstract:** Requires the disclosure that the collection of certain fees charged by motor vehicle dealers is not required by law.

Present law provides that a seller or extender of credit may charge a fee for credit investigation, compliance with federal or state law, preparation of documents, and any other functions incidental to the titling of the retail sale. Further provides that the maximum permitted amount is \$100.

Proposed law requires the seller, who may also be an extender of credit, to provide written disclosure to the consumer of the amount of the fee collected as authorized by present law along with the following statements in conspicuous type: "This fee is authorized by R.S. 6:969.18(A)(2). It is not a mandatory state fee. The seller, who may also be an extender of credit, may charge the fee for credit investigation, compliance with federal and state law, preparation of the documents necessary to perfect or satisfy a lien upon the objects sold, and any other functions incidental to the titling of the retail sale."

Proposed law further requires the disclosure to be printed on the bill of sale, buyer's order, or sales contract which is signed by the buyer and retained by the buyer and seller.

Effective Jan. 1, 2011.

(Adds R.S. 6:969.18(G))

### Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Commerce to the original bill.

1. Changed the phrase "seller or extender of credit" to "The seller, who may also be an extender of credit".
2. Deleted the requirement that the written disclosure contain the following statement: "It is not a mandatory fee required by law to be collected, and no seller is required by law to charge it."
3. Added the requirement that the written disclosure also contain the following statements: "It is not a mandatory state fee. The seller, who may also be an extender

of credit, may charge the fee for credit investigation, compliance with federal and state law, preparation of the documents necessary to perfect or satisfy a lien upon the objects sold, and any other functions incidental to the titling of the retail sale."

4. Deleted the requirement that the seller or extender of credit shall have the consumer sign a copy of the written disclosure to acknowledge that the consumer has received and understands the disclosure.
5. Added an effective date of Jan. 1, 2011.