

BILL ANALYSIS

Senate Research Center
77R6323 DWS-F

H.B. 1994
By: Marchant (Carona)
Business & Commerce
5/2/2001
Engrossed

DIGEST AND PURPOSE

Current law allows the seller of a vehicle to charge, and include on the retail installment contract, a documentary fee in the amount of \$50 for the preregistration of certain documents relating to the titling and registration of a vehicle that is the subject of the sale. H.B. 1994 increases from \$50 to \$75 the maximum allowable documentary fee.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 345.251(b) and (c), Finance Code, to provide that if a documentary fee is charged under this section the fee: must be charged to cash buyers and credit buyers; may not exceed \$75, rather than \$50; and must be disclosed on the retail installment contract as a separate itemized charge.

(c) Makes a conforming change.

SECTION 2. Amends Section 348.006(c), Finance Code, to make a conforming change.

SECTION 3. Effective date: upon passage or September 1, 2001.