SF721 **REVISOR** KRB S0721-1 1st Engrossment

SENATE STATE OF MINNESOTA NINETY-THIRD SESSION

S.F. No. 721

(SENATE AUTHORS: JASINSKI)

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DATE 01/25/2023 **OFFICIAL STATUS** D-PG

Introduction and first reading Referred to Transportation

03/08/2023 1395a Comm report: To pass as amended

1429 Second reading

Rule 47, returned to Transportation See HF2887 11498

A bill for an act 1.1

relating to motor vehicles; increasing maximum documentary fees charged by 1.2 dealers on motor vehicle sales and leases; amending Minnesota Statutes 2022, 1.3 section 168.27, subdivision 31. 1.4

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

Section 1. Minnesota Statutes 2022, section 168.27, subdivision 31, is amended to read: 1.6

Subd. 31. **Documentary fee.** (a) A motor vehicle dealer may not charge a documentary fee or document administration fee in excess of the amounts provided under paragraph (b) for services actually rendered to, for, or on behalf of the retail buyer or lessee to prepare, handle, and process documents for the closing of a motor vehicle retail sale or lease of a vehicle being registered in the state of Minnesota. The fee must be separately stated on the sales agreement maintained under Minnesota Rules, part 7400.5200, and may be excluded from the dealer's advertised price.

- (b) For motor vehicle sales or leases made on or after July 1, 2017 2023, through June 30, 2020 2024, the maximum fee is \$\frac{\$100}{}\$ the lesser of \$200 or an amount equal to ten percent of the value of the sale or lease. For motor vehicle sales or leases made on or after July 1, 2020 2024, through June 30, 2025, the maximum fee is \$125 the lesser of \$275 or an amount equal to ten percent of the value of the sale or lease. For motor vehicle sales or leases made on or after July 1, 2025, the maximum fee is the lesser of \$350 or an amount equal to ten percent of the value of the sale or lease.
- (c) "Documentary fee" and "document administration fee" do not include an optional 1.21 electronic transfer fee as defined under section 53C.01, subdivision 14. 1.22

Section 1. 1 SF721 REVISOR KRB S0721-1 1st Engrossment

2.1 **EFFECTIVE DATE.** This section is effective for motor vehicle sales and leases made

on or after July 1, 2023.

Section 1. 2