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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 3833

02/28/2022

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The bill was read for the first time and referred to the Committee on Transportation Finance and Policy

1.1 A bill for an act
1.2 relating to motor vehicles; increasing maximum documentary fees charged by
1.3 dealers on motor vehicle sales and leases; amending Minnesota Statutes 2020,
1.4 section 168.27, subdivision 31.

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

1.6 Section 1. Minnesota Statutes 2020, section 168.27, subdivision 31, is amended to read:

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

1.14 (b) For motor vehicle sales or leases made on or after July 1, ~~2017~~ 2022, through June
1.15 30, ~~2020~~ 2023, the maximum fee is ~~\$100~~ \$200. For motor vehicle sales or leases made on
1.16 or after July 1, ~~2020~~, 2023, through June 30, 2024, the maximum fee is ~~\$125~~ \$275. For
1.17 motor vehicle sales or leases made on or after July 1, 2024, the maximum fee is \$350.

1.18 (c) "Documentary fee" and "document administration fee" do not include an optional
1.19 electronic transfer fee as defined under section 53C.01, subdivision 14.

1.20 **EFFECTIVE DATE.** This section is effective for motor vehicle sales and leases made
1.21 on or after July 1, 2022.