

1.1 **Senator Dibble from the Committee on Transportation, to which was referred**

1.2 **S.F. No. 721:** A bill for an act relating to motor vehicles; increasing maximum
1.3 documentary fees charged by dealers on motor vehicle sales and leases; amending Minnesota
1.4 Statutes 2022, section 168.27, subdivision 31.

1.5 Reports the same back with the recommendation that the bill be amended as follows:

1.6 Delete everything after the enacting clause and insert:

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

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

1.15 (b) For motor vehicle sales or leases made on or after July 1, ~~2017~~ 2023, through June
1.16 30, ~~2020~~ 2024, the maximum fee is ~~\$100~~ the lesser of \$200 or an amount equal to ten percent
1.17 of the value of the sale or lease. For motor vehicle sales or leases made on or after July 1,
1.18 ~~2020~~ 2024, through June 30, 2025, the maximum fee is ~~\$125~~ the lesser of \$275 or an amount
1.19 equal to ten percent of the value of the sale or lease. For motor vehicle sales or leases made
1.20 on or after July 1, 2025, the maximum fee is the lesser of \$350 or an amount equal to ten
1.21 percent of the value of the sale or lease.

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

1.24 **EFFECTIVE DATE.** This section is effective for motor vehicle sales and leases made
1.25 on or after July 1, 2023."

1.26 And when so amended the bill do pass. Amendments adopted. Report adopted.

D. Scott Dibble

1.27
1.28 (Committee Chair)

1.29 March 6, 2023.....
1.30 (Date of Committee recommendation)