

HCS HB 1023 -- DEPT OF REVENUE ADMINISTRATIVE FEE

SPONSOR: Gregory (96)

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Special Committee on Small Business by a vote of 16 to 1.

The following is a summary of the House Committee Substitute for HB 1023.

Currently, a motor vehicle, boat, or powersport dealer can charge an administrative fee of up to \$200 for the storage of documents or other administrative or clerical services in connection with the sale or lease of any vehicle, vessel, or trailer without being deemed to be engaging in the unauthorized practice of law.

This bill increases the maximum limit to \$500, and provides that the limit will increase each year by an amount equal to the percentage change in the annual average Consumer Price Index for All Urban Consumers. The Department of Revenue must determine the maximum fee and furnish this amount to the Secretary of State to publish in the Missouri Register as soon as possible after January 14th of each year. The same fee must be charged to all customers unless limited by the dealer's franchise agreement.

This bill is the same as SB 195 (2021).

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPOSERS: Supporters say that the bill increases the administrative fee on motor vehicle sales from \$200 to \$500. This fee has not been raised for years and will make the sale of vehicles more transparent.

Testifying for the bill were Representative Gregory; John Bommarito, Bommarito Automotive Group; and the Missouri Automobile Dealers Association.

OPPOSERS: There was no opposition voiced to the committee.

Written testimony has been submitted for this bill. The full written testimony can be found under Testimony on the bill page on the House website.