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HOUSE BILL NO. 2720

House Amendments in [] — January 31, 2003

A *BILL to amend and reenact § 46.2-1530 of the Code of Virginia and to amend the Code of Virginia by adding sections numbered 46.2-1530.1 and 46.2-1530.2, relating to motor vehicle dealers; on-line filing fees; and manual transaction fees.*

Patron Prior to Engrossment—Delegate Rollison

Referred to Committee on Transportation

Be it enacted by the General Assembly of Virginia:

1. That § 46.2-1530 of the Code of Virginia is amended and reenacted, and that the Code of Virginia is amended by adding sections numbered 46.2-1530.1 and 46.2-1530.2 as follows:

§ 46.2-1530. Buyer's order.

A. Every motor vehicle dealer shall complete, in duplicate, a buyer's order for each sale or exchange of a motor vehicle. A copy of the buyer's order form shall be made available to a prospective buyer during the negotiating phase of a sale and prior to any sales agreement. The completed original shall be retained for a period of four years in accordance with § 46.2-1529, and a duplicate copy shall be delivered to the purchaser at the time of sale or exchange. A buyer's order shall include:

1. The name and address of the person to whom the vehicle was sold or traded.
2. The date of the sale or trade.
3. The name and address of the motor vehicle dealer selling or trading the vehicle.
4. The make, model year, vehicle identification number and body style of the vehicle.
5. The sale price of the vehicle.
6. The amount of any cash deposit made by the buyer.

7. A description of any vehicle used as a trade-in and the amount credited the buyer for the trade-in. The description of the trade-in shall be the same as outlined in subdivision 4 of this subsection.

8. The amount of any sales and use tax, title fee, uninsured motor vehicle fee, registration fee, *purchaser's on-line systems filing fee*, or other fee required by law for which the buyer is responsible and the dealer has collected. Each tax and fee shall be individually listed and identified.

9. The net balance due at settlement.

10. Any item designated as "processing fee," and the amount charged by the dealer, if any, for processing the transaction. As used in this section processing includes obtaining title and license plates for the purchaser, *but shall not include any "purchaser's on-line systems filing fee" as defined in § 46.2-1530.1 or any "dealer's manual transaction fee" as defined in § 46.2-1530.2.*

11. Any item designated as "dealer's business license tax," and the amount charged by the dealer, if any.

12. For sales involving dealer-arranged financing, the following notice, printed in bold type no less than ~~ten~~ 10-point: "THIS SALE IS CONDITIONED UPON APPROVAL OF YOUR PROPOSED RETAIL INSTALLMENT SALE CONTRACT AS SUBMITTED TO OR THROUGH THE DEALER. IF THAT PROPOSED RETAIL INSTALLMENT SALE CONTRACT IS NOT APPROVED UNDER THE TERMS AGREED TO WITH THE DEALER, YOU MAY CANCEL THIS SALE AND ANY DOWN PAYMENT AND/OR TRADE-IN YOU SUBMITTED WILL BE RETURNED TO YOU, PROVIDED THAT ANY VEHICLE DELIVERED TO YOU BY THE DEALER PURSUANT TO THIS AGREEMENT IS RETURNED TO THE DEALER IN THE SAME CONDITION AS DELIVERED TO YOU, NORMAL WEAR AND TEAR EXCEPTED, WITHIN ~~TWENTY-FOUR~~ 24 HOURS OF WRITTEN OR ORAL NOTICE TO YOU OF THE CREDIT DENIAL."

13. For sales of used motor vehicles, the disclosure required by § 46.2-1529.1.

If the transaction does not include a policy of motor vehicle liability insurance, the seller shall stamp or mark on the face of the bill of sale in boldface letters no smaller than eighteen point type the following words: "No Liability Insurance Included."

A completed buyer's order when signed by both buyer and seller may constitute a bill of sale.

B. The Board shall approve a buyer's order form and each dealer shall file with each original license application its buyer's order form, on which the processing fee amount is stated.

C. If a processing fee is charged, that fact and the amount of the processing fee shall be disclosed by the dealer. Disclosure shall be by placing a clear and conspicuous sign in the public sales area of the dealership. The sign shall be no smaller than ~~eight and one-half~~ 8 1/2 inches by ~~eleven~~ 11 inches and the print shall be no smaller than ~~one-half~~ 1/2 inch, and in a form as approved by the Board.

§ 46.2-1530.1. *Purchaser's on-line systems filing fee; collection and remittance.*

ENGROSSED

HB2720E

59 Any dealer licensed under this chapter who uses a Department-approved system of remote electronic
60 filing of documentation necessary to obtain a certificate of title or registration for the purchaser of a
61 vehicle shall collect from the purchaser and remit to the Department-approved electronic systems
62 provider any fees charged for the transaction by the systems provider. Any such fee shall be listed
63 separately on the buyer's order and identified as "on-line systems filing fee."

64 § 46.2-1530.2. Dealer's manual transaction fee; use in special fund.

65 Every dealer licensed under this chapter who has elected not to enter into an agreement with a
66 systems provider approved by the Department for the remote electronic filing of documentation
67 necessary to obtain a certificate of title or registration for the purchaser of a vehicle shall pay to the
68 Department a fee of \$15 for each manual transaction conducted at any Customer Service Center of the
69 Department. Such fee shall be in addition to any fees charged by the Department pursuant to this title
70 for the processing of an application for a new certificate of title or registration of a vehicle. The
71 dealer's manual transaction fee authorized by this section may not be charged to any dealer who has
72 entered into an agreement with the Department's approved systems provider, nor may it be charged to
73 any dealer who is manually conducting a transaction for which there is no Department-approved remote
74 electronic filing option available. Any dealer who has been charged a dealer's manual transaction fee
75 may not collect such transaction fee from the purchaser of the vehicle. All fees collected under the
76 provisions of this section shall be paid into the state treasury and set aside as a special fund to meet
77 the expenses of the Department.

78 [2. That the provisions of this act shall not apply to any pilot program providing for the
79 processing of transactions with the Department of Motor Vehicles by business entities on behalf of
80 commercial checks.]

81 [3. That the provisions of this act shall become effective on December 31, 2003.]