

## SENATE SUBSTITUTE

FOR

SENATE BILL NO. 46

## AN ACT

To repeal sections 301.558 and 307.380, RSMo, and to enact in lieu thereof two new sections relating to vehicles.

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*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Sections 301.558 and 307.380, RSMo, are  
2 repealed and two new sections enacted in lieu thereof, to be  
3 known as sections 301.558 and 307.380, to read as follows:

301.558. 1. A motor vehicle dealer, boat dealer, or  
2 powersport dealer may fill in the blanks on standardized  
3 forms in connection with the sale or lease of a new or used  
4 motor vehicle, vessel, or vessel trailer if the motor  
5 vehicle dealer, boat dealer, or powersport dealer does not  
6 charge for the services of filling in the blanks or  
7 otherwise charge for preparing documents.

8 2. A motor vehicle dealer, boat dealer, or powersport  
9 dealer may charge an administrative fee in connection with  
10 the sale or lease of a new or used motor vehicle, vessel, or  
11 vessel trailer for the storage of documents or any other  
12 administrative or clerical services not prohibited by this  
13 section. A portion of the administrative fee may result in  
14 profit to the motor vehicle dealer, boat dealer, or  
15 powersport dealer.

16 3. (1) Ten percent of any fee authorized under this  
17 section and charged by motor vehicle dealers shall be  
18 remitted to the motor vehicle administration technology fund  
19 established in this subsection, for the development of the  
20 system specified in this subsection. Following the  
21 development of the system specified in this subsection, the

22 director of the department of revenue shall notify motor  
23 vehicle dealers and implement the system, and the percentage  
24 of any fee authorized under this section required to be  
25 remitted to the fund shall be reduced to one percent, which  
26 shall be used for maintenance of the system. This  
27 subsection shall expire on January 1, 2037.

28 (2) There is hereby created in the state treasury the  
29 "Motor Vehicle Administration Technology Fund", which shall  
30 consist of money collected as specified in this subsection.  
31 The state treasurer shall be custodian of the fund. In  
32 accordance with sections 30.170 and 30.180, the state  
33 treasurer may approve disbursements. The fund shall be a  
34 dedicated fund and money in the fund shall be used solely by  
35 the department of revenue for the purpose of development and  
36 maintenance of a modernized, integrated system for the  
37 titling of vehicles, issuance and renewal of vehicle  
38 registrations, issuance and renewal of driver's licenses and  
39 identification cards, and perfection and release of liens  
40 and encumbrances on vehicles.

41 (3) Notwithstanding the provisions of section 33.080  
42 to the contrary, any moneys remaining in the fund at the end  
43 of the biennium shall not revert to the credit of the  
44 general revenue fund.

45 (4) The state treasurer shall invest moneys in the  
46 fund in the same manner as other funds are invested. Any  
47 interest and moneys earned on such investments shall be  
48 credited to the fund.

49 4. No motor vehicle dealer, boat dealer, or powersport  
50 dealer that sells or leases new or used motor vehicles,  
51 vessels, or vessel trailers and imposes an administrative  
52 fee of [less than two] five hundred dollars or less in  
53 connection with the sale or lease of a new or used vehicle,  
54 vessel, or vessel trailer for the storage of documents or

any other administrative or clerical services shall be deemed to be engaging in the unauthorized practice of law. The maximum administrative fee permitted under this subsection shall be increased annually by an amount equal to the percentage change in the annual average of the Consumer Price Index for All Urban Consumers or its successor index, as reported by the federal Bureau of Labor Statistics or its successor agency, or by zero, whichever is greater. The director of the department of revenue shall annually furnish the maximum administrative fee determined under this section to the secretary of state, who shall publish such value in the Missouri register as soon as practicable after January fourteenth of each year.

[4.] 5. If an administrative fee is charged under this section, the same administrative fee shall be charged to all retail customers [and] unless the fee is limited by the dealer's franchise agreement to certain classes of customers. The fee shall be disclosed on the retail buyer's order form as a separate itemized charge.

[5.] 6. A preliminary worksheet on which a sale price is computed and that is shown to the purchaser, a retail buyer's order form from the purchaser, or a retail installment contract shall include, in reasonable proximity to the place on the document where the administrative fee authorized by this section is disclosed, the amount of the administrative fee and the following notice in type that is boldfaced, capitalized, underlined, or otherwise conspicuously set out from the surrounding written material:

"AN ADMINISTRATIVE FEE IS NOT AN OFFICIAL FEE  
AND IS NOT REQUIRED BY LAW BUT MAY BE CHARGED BY  
A DEALER. THIS ADMINISTRATIVE FEE MAY RESULT IN  
A PROFIT TO DEALER. NO PORTION OF THIS  
ADMINISTRATIVE FEE IS FOR THE DRAFTING,

88 PREPARATION, OR COMPLETION OF DOCUMENTS OR THE  
89 PROVIDING OF LEGAL ADVICE. THIS NOTICE IS  
90 REQUIRED BY LAW."

91 [6.] 7. The general assembly believes that an  
92 administrative fee charged in compliance with this section  
93 is not the unauthorized practice of law or the unauthorized  
94 business of law so long as the activity or service for which  
95 the fee is charged is in compliance with the provisions of  
96 this section and does not result in the waiver of any rights  
97 or remedies. Recognizing, however, that the judiciary is  
98 the sole arbitrator of what constitutes the practice of law,  
99 in the event that a court determines that an administrative  
100 fee charged in compliance with this section, and that does  
101 not waive any rights or remedies of the buyer, is the  
102 unauthorized practice of law or the unauthorized business of  
103 law, then no person who paid that administrative fee may  
104 recover said fee or treble damages, as permitted under  
105 section 484.020, and no person who charged that fee shall be  
106 guilty of a misdemeanor, as provided under section 484.020.

307.380. 1. Every vehicle of the type required to be  
2 inspected upon having been involved in an accident and when  
3 so directed by a police officer must be inspected and an  
4 official certificate of inspection and approval, sticker,  
5 seal or other device be obtained for such vehicle before it  
6 is again operated on the highways of this state. At the  
7 seller's expense every used motor vehicle of the type  
8 required to be inspected by section 307.350[, whether new or  
9 used,] shall immediately prior to sale be fully inspected  
10 regardless of any current certificate of inspection and  
11 approval, and an appropriate new certificate of inspection  
12 and approval, sticker, seal or other device shall be  
13 obtained.

14           2. Nothing contained in the provisions of this section  
15 shall be construed to prohibit a dealer or any other person  
16 from selling a vehicle without a certificate of inspection  
17 and approval if the vehicle is sold for junk, salvage, or  
18 for rebuilding, or for vehicles sold at public auction or  
19 from dealer to dealer. The purchaser of any vehicle which  
20 is purchased for junk, salvage, or for rebuilding, shall  
21 give to the seller an affidavit, on a form prescribed by the  
22 superintendent of the Missouri state highway patrol, stating  
23 that the vehicle is being purchased for one of the reasons  
24 stated herein. No vehicle of the type required to be  
25 inspected by section 307.350 which is purchased as junk,  
26 salvage, or for rebuilding shall again be registered in this  
27 state until the owner has submitted the vehicle for  
28 inspection and obtained an official certificate of  
29 inspection and approval, sticker, seal or other device for  
30 such vehicle.

31           3. Notwithstanding the provisions of section 307.390,  
32 violation of this section shall be deemed an infraction.