

CHAPTER 1038

H.B. No. 2218

AN ACT

relating to the conduct of certain business or commercial transactions.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subsections (a) and (b), Article 6.10, Title 79, Revised Statutes (Article 5069–6.10, Vernon's Texas Civil Statutes) are amended to read as follows:

(a) A seller may charge a documentary fee for services rendered to, for, or on behalf of a retail buyer in preparing, handling, and processing documents relating to, and closing a retail installment transaction involving, a motor cycle, a motor-driven cycle, moped, ~~or~~ all-terrain vehicle, a boat, boat motor, boat trailer, or towable recreational vehicle. If the documentary fee is charged:

- (1) it must be charged to both cash and credit buyers;
- (2) it may not exceed \$50 [25]; and
- (3) it must be disclosed on the retail installment contract as a separate itemized charge.

(b) Preliminary worksheets that are shown to the buyer in which a sale price is computed, an order from the buyer, and the retail installment contract must include, in reasonable

proximity to the place in the worksheet, order, or contract where the documentary fee is disclosed, the amount of the fee and the following notice in bold-faced type:

“A DOCUMENTARY FEE IS NOT AN OFFICIAL FEE AND IS NOT REQUIRED BY LAW, BUT MAY BE CHARGED TO A BUYER FOR THE HANDLING OF DOCUMENTS AND THE PERFORMING OF SERVICES RELATED TO THE CLOSING OF A SALE. A BUYER MAY AVOID PAYMENT OF THE FEE BY HANDLING THESE DOCUMENTS AND PERFORMING THESE SERVICES. A DOCUMENTARY FEE MAY NOT EXCEED \$50 [25]. THIS NOTICE IS REQUIRED BY LAW.”

SECTION 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed by the House on April 20, 1993, by a non-record vote; passed by the Senate on May 22, 1993: Yeas 29, Nays 1.

Filed without signature June 19, 1993.

Effective Aug. 30, 1993, 90 days after date of adjournment.