

HB3045



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB3045

Introduced 2/19/2021, by Rep. Adam Niemerg

SYNOPSIS AS INTRODUCED:

815 ILCS 375/11.1

from Ch. 121 1/2, par. 571.1

Amends the Motor Vehicle Retail Installment Sales Act. Provides that the maximum amount of the documentary fee for processing documents and performing services related to closing of a sale is restored to \$150 (currently, the fee was increased to \$300 on January 1, 2020). Effective immediately.

LRB102 16417 RAM 21808 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning business.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Motor Vehicle Retail Installment Sales Act
5 is amended by changing Section 11.1 as follows:

6 (815 ILCS 375/11.1) (from Ch. 121 1/2, par. 571.1)

7 Sec. 11.1. (a) A seller in a retail installment contract
8 may add a "documentary fee" for processing documents and
9 performing services related to closing of a sale. The maximum
10 amount that may be charged by a seller for a documentary fee is
11 the base documentary fee beginning January 1, 2008 ~~until~~
12 ~~January 1, 2020,~~ of \$150, which shall be subject to an annual
13 rate adjustment equal to the percentage of change in the
14 Bureau of Labor Statistics Consumer Price Index. Every retail
15 installment contract under this Act shall contain or be
16 accompanied by a notice containing the following information:

17 "DOCUMENTARY FEE. A DOCUMENTARY FEE IS NOT AN OFFICIAL
18 FEE. A DOCUMENTARY FEE IS NOT REQUIRED BY LAW, BUT MAY BE
19 CHARGED TO BUYERS FOR HANDLING DOCUMENTS AND PERFORMING
20 SERVICES RELATED TO CLOSING OF A SALE. THE BASE DOCUMENTARY
21 FEE BEGINNING JANUARY 1, 2008, WAS \$150. THE MAXIMUM AMOUNT
22 THAT MAY BE CHARGED FOR A DOCUMENTARY FEE IS THE BASE
23 DOCUMENTARY FEE OF \$150, WHICH SHALL BE SUBJECT TO AN ANNUAL

1 RATE ADJUSTMENT EQUAL TO THE PERCENTAGE OF CHANGE IN THE
2 BUREAU OF LABOR STATISTICS CONSUMER PRICE INDEX. THIS NOTICE
3 IS REQUIRED BY LAW."

4 (b) (Blank). ~~A seller in a retail installment contract may~~
5 ~~add a "documentary fee" for processing documents and~~
6 ~~performing services related to closing of a sale. The maximum~~
7 ~~amount that may be charged by a seller for a documentary fee is~~
8 ~~the base documentary fee beginning January 1, 2020, of \$300,~~
9 ~~which shall be subject to an annual rate adjustment equal to~~
10 ~~the percentage of change in the Bureau of Labor Statistics~~
11 ~~Consumer Price Index. Every retail installment contract under~~
12 ~~this Act shall contain or be accompanied by a notice~~
13 ~~containing the following information:~~

14 ~~"DOCUMENTARY FEE. A DOCUMENTARY FEE IS NOT AN OFFICIAL~~
15 ~~FEE. A DOCUMENTARY FEE IS NOT REQUIRED BY LAW, BUT MAY BE~~
16 ~~CHARGED TO BUYERS FOR HANDLING DOCUMENTS AND PERFORMING~~
17 ~~SERVICES RELATED TO CLOSING OF A SALE. THE BASE DOCUMENTARY~~
18 ~~FEE BEGINNING JANUARY 1, 2020, WAS \$300. THE MAXIMUM AMOUNT~~
19 ~~THAT MAY BE CHARGED FOR A DOCUMENTARY FEE IS THE BASE~~
20 ~~DOCUMENTARY FEE OF \$300, WHICH SHALL BE SUBJECT TO AN ANNUAL~~
21 ~~RATE ADJUSTMENT EQUAL TO THE PERCENTAGE OF CHANGE IN THE~~
22 ~~BUREAU OF LABOR STATISTICS CONSUMER PRICE INDEX. THIS NOTICE~~
23 ~~IS REQUIRED BY LAW."~~

24 (Source: P.A. 101-31, eff. 6-28-19.)

25 Section 99. Effective date. This Act takes effect upon
26 becoming law.