



## **VOTE NO on SB 791 (CORTESE)**

### **CAR DEALER “DOC FEE” over 5 X INCREASE WORSE for CA car buyers than Texas, Arkansas, and West Virginia**

We strongly urge Senators to vote NO on SB 791 for the following reasons:

- Car dealer doc fees are “junk” fees that lack transparency, are concealed until the end of the transaction, and fail to reflect the actual cost to provide the so-called “service.”
- SB 791 would be an enormous windfall for multi-billion dollar high-volume auto dealership chains publicly traded on Wall Street and headquartered in other states such as Tesla (TX), AutoNation (FL), CarMax (VA) and Lithia (OR) at the expense of California car buyers.
- SB 791 would give car dealers a drastic increase in the “doc fee” from a maximum of \$85 to a maximum of **\$500** – an unjustified and unprecedented increase of **MORE THAN 500%** – making California’s doc fee cap worse for consumers than many other states, such as:

<u>STATE</u>	<u>“DOC FEE” CAP</u>
Arkansas	\$129
Iowa	\$180
Michigan	\$260 or 5% of sale price, whichever is less
New York	\$175
Oregon	\$115, or \$150 if filed electronically
Texas	\$225
Washington	\$200
West Virginia	\$250

- Car dealers boast about making record profits, while consumers are increasingly struggling to make ends meet.
- The J.D. Power report cited by the sponsors strains credulity, particularly since the typical car dealer practices of assigning loans to lenders in exchange for added hidden markups, and selling add-on products of questionable value that drastically increase the costs consumers pay for loans, are extremely lucrative for car dealers, at the expense of new and used car buyers.

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