

**Meeting Minutes of the Arkansas Motor Vehicle Commission**

**Business Meeting**  
**900 West Capitol Avenue, Suite 400**  
**Little Rock, Arkansas 72201**

**March 27, 2024**

**CALL TO ORDER**

The regularly scheduled meeting of the Arkansas Motor Vehicle Commission was called to order March 27, 2024, at 9:26 A.M. by Commission Chair Joy Blankenship.

**ATTENDEES**

The commissioners in attendance included Commission Chair Joy Blankenship, Michael Moix, Jeff Baskin, Jimmy Jones, Scott Wood, and Clay Maxey. Commissioner Dwayne Neal and Commissioner Rick Witten were not in attendance and were not previously excused. Staff present included Director Daniel Pace, Licensing Supervisor Alexis Dunlap, and Investigators Margie Sexton and John Aquilino. Also, in attendance was Assistant Attorney General Michael Bynum, and Greg Kirkpatrick of the Arkansas Automobile Dealers Association. This Commission meeting was broadcasted on AR-CAN Arkansas PBS.

**NEW BUSINESS**

Following a welcoming by Commission Chair Joy Blankenship the commission received a proper introduction to Commissioner Clay Maxey.

**PREVIOUS MEETING MINUTES**

The minutes from the Wednesday, January 31, 2024, regularly scheduled meeting were reviewed and unanimously approved by the Commission following a proper motion by Scott Wood and a second by Jeff Baskin.

**REPORTS AND INFORMATION**

Director Pace presented the Financial Revenue and Expenditure Reports for fiscal year 2024, which reflected a revenue deposit total of \$408,045.66. Director Pace estimates an additional \$8000.00 in revenue has been received and deposited since the report was compiled on March 20, 2024. Following a proper motion by Jimmy Jones and a second by Jeff Baskin the commission unanimously approved the Financial Revenue and Expenditure Reports.

Director Pace presented the Monthly License Activity Reports, and he noted the addition of a new License Submission Breakdown Report which calculates the total number of submissions of each license type, including renewals. After noting the addition and relocation of several dealers, he estimated that about 3 Dealers have yet to renew their license. This group includes only Cycle and RV/Commercial Truck Dealers. This process is being completed on the ELP system adopted by the Commission in 2023. The Commission approved the Monthly License Activity Reports after a proper motion by Jimmy Jones and a second by Jeff Baskin.

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The Investigation Summary Reports compiled by Investigators Margie Sexton and John Aquilino included January 2024, February 2024, and March 2024. There have been investigations into title, warranty, and advertising complaints. The addition of a dealer visits section to the reports noted 115 dealer visits have been conducted during the three-month period; investigator John Aquilino has conducted additional dealer visits since the report was compiled. The investigators have completed 6 advertisement reviews for licensed Franchise Auto Dealers in the first three months of the year. The Commission has not seen an increase in complaints in 2024 so far, in comparison to the same time period in 2023 or 2022. The Consumer Assistance Report included information dating back to 2022.

Assistant Attorney General Michael Bynum noted that a Relevant Market Area Protest Complaint has been filed with the Commission. An existing cycle dealer has filed the complaint against an active Distributor, as the Distributor has notified the Commission and the existing dealer of their intent to establish a new cycle dealer of the same line-make of products in the existing dealer's relevant market area. The Commission has 180 days from the date of the written protest being filed to conduct a hearing. Both parties listed in the complaint have retained their own legal counsel and are engaged in active discussions to resolve the dispute before a hearing is conducted. Legal counsel for both parties have been informed that they must communicate on a monthly basis with Assistant Attorney General Michael Bynum to discuss progress on a resolution of the dispute and to schedule a hearing if necessary.

**ACTIONS & DISCUSSION**

Licensing Supervisor Alexis Dunlap presented a Refund Request on behalf of Navistar, Inc., in regard to the company's Manufacturer Branch License MB10402. Navistar, Inc. requested a refund of the license fee of \$900.00 due to renewing the branch license for their Plano, TX location in error. Navistar confirmed that they are not using that location to conduct business in the State of Arkansas. All Arkansas business is being conducted through the licensed location in Lisle, Illinois. The company originally renewed license number MB10402 and asked to update the physical address to Lisle, Illinois, and were then informed that a license for Lisle, Illinois, had already been issued and renewed. After being informed that there was an existing license for Lisle, Illinois, Navistar, Inc., requested a Voluntary License Surrender Agreement for license number MB10402 and they requested a refund of the license fee as it had only been 48 hours since issuance. A motion to refund the requested license fee of \$900.00 was unanimously approved by the Commission following a proper motion by Scott Wood and a second by Jimmy Jones.

Director Pace presented a License Renewal Late Fee Waiver Request on behalf of Sunset Park & RV in regard to the company's Manufacturer License M10490. Sunset Park & RV requested that the Commission

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waive license renewal late fees in the amount of \$1800.00. Sunset Park & RV's manufacturer license was renewed four months after the renewal period ended. Due to change of contact information the current VP of Sales for Sunset Park & RV was not informed that the license was not renewed in a timely manner and upon learning this information immediately renewed the license. Sunset Park & RV currently only has one dealer in the state, and they do not believe the current level of sales volume can allow them to make a \$1800.00 late fee payment. However, due to this issue being an oversight on their part, they have taken steps to prevent late renewal in the future. After considering the facts in this matter, Commissioner Jeff Baskin suggested that the Commission could consider reducing the penalty amount as opposed to waiving the late fees completely. Commissioner Scott Wood suggested the penalties should be no less than \$450.00, the minimum late fee penalty amount for a Manufacturer License. Following a proper motion to waive the \$1800.00 late fee penalties and issue penalties in the amount of \$450.00 to Sunset Park & RV by Jimmy Jones and a second by Jeff Baskin, the Commission unanimously approved the motion.

Greg Kirkpatrick of the Arkansas Automobile Dealers Association requested permission from the Commission Chair to address the commission and staff for a question and answer, which was granted. Director Pace was asked to explain the process of issuing late fees to license holders in the ELP System. Director Pace explained that once a license holder has paid their renewal fees, the payment which is dated and time stamped is recorded on their ELP account profile. Commission staff can then issue an invoice to the license holder for any penalties due through their ELP license profile. The license holder is notified automatically by the ELP system via email using the contact information noted on the account. Contact information can be updated at any time by the license holder on the ELP system or by Commission staff per a written request. A request to waive late fees can be submitted to the Commission at any time, but the approval of any waiver request is solely at the discretion of the full Commission.

Director Pace presented a request to waive late fees on behalf of seventeen (17) Manufacturers, Distributors and Representatives (listed under Section 7C on the Agenda) who renewed their licenses in the ELP system after the renewal period ended, but attempted to renew their licenses by U.S. Mail, FedEx, or UPS on time using the old standard paper application. A request of this type is unlikely to occur again in the future because all license holders have been added to the ELP system and any new license applicants must apply through the ELP system. The Commission no longer accepts paper license applications or renewals. Following a proper motion to waive the late fee penalties of all seventeen Manufacturers, Distributors, and Representatives listed under Section 7C on the Agenda by Scott Wood and a second by Jeff Baskin, the commission unanimously approved the motion.

Director Pace presented twenty-eight (28) Voluntary License Surrender Agreements from License holders no longer conducting business in the state of Arkansas (listed under Section 7D on the Agenda).

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The listed license holders requested that the license presented be terminated and they all acknowledged that if they wish to engage in business in the state of Arkansas after the license has been terminated, they must apply for a new License through the Arkansas Motor Vehicle Commission. After a proper motion to approve all of the Voluntary License Surrender Agreements listed under Section 7D on the Agenda by Jeff Baskin and a second by Jimmy Jones, the Commission unanimously approved the motion.

Director Pace provided an update to the Commission with respect to the Automotive Technologist Education Grant Program (ATEGP). As of March 20, 2024, the application period has closed, and the Commission has received complete applications for funding from 11 different eligible Arkansas-based education programs. The applications will be sent to the Division of Career and Technical Education, the Division of Higher Education, and the Office of Skills Development for joint review and recommendations back to the Commission for final approval of grant funding. Mr. Pace informed the Commission that staff is working to have a special language amendment approved by the Legislature to address an error in language in the statute that governs the ATEGP, which has resulted in the Commission not being able to fund the Grant program to the desired level. The Commission approved funding in the amount of \$47,453.35 to four institutions in 2023. As of March 27, 2024, the full ATEGP funding amount for 2024 has not been finalized or approved. Mr. Pace informed the commission that he hopes to be able to present the funding recommendations for 2024 to the full Commission for review and approval at the next Business Meeting.

Greg Kirkpatrick was allowed to address the Commission and he explained the Arkansas Automobile Dealers Association's goal to work toward increasing the Dealer lease penetration rate in the state to be more competitive with the lease market in surrounding states. Mr. Kirkpatrick also addressed the need for automotive service technicians in the state.

**ADJOURNMENT**

Following a proper motion by Jeff Baskin and second by Jimmy Jones, Chair Joy Blankenship thanked everyone for their attendance and adjourned the meeting at 10:30 A.M. on March 27, 2024, by unanimous approval of the Commission.

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Minutes submitted by:

*Alexis Dunlap Daniel Pace*

Alexis Dunlap and Daniel Pace

05-15-2024

Date:

Minutes Approved by:

*Joy Blankenship*

Commission Chair Joy Blankenship

05-15-2024

Date: