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

April 16, 2025

CALL TO ORDER

The regularly scheduled meeting of the Arkansas Motor Vehicle Commission was called to order on April 16, 2025, at 9:36 a.m. by Commission Chair Joy Blankenship.

ATTENDEES

The commissioners in attendance included Commission Chair Joy Blankenship, Michael Johnson, Jerel Saeler, Scott Wood, Jimmy Jones, and Michael Moix. Staff present included Director Daniel Pace, Licensing Supervisor Alexus Dunlap, and Investigators Margie Sexton and John Aquilino. Other attendees included Senior Assistant Attorney General Michael Lewis and Assistant Attorney General Jessica Kloss. Commissioner Clay Maxey was not in attendance and was not previously excused. This Commission meeting was broadcast on AR-CAN Arkansas PBS.

PREVIOUS MEETING MINUTES

The minutes from the Thursday, February 27, 2025, regularly scheduled meeting were reviewed and unanimously approved by the Commission following a proper motion by Michael Johnson and a second by Jimmy Jones.

REPORTS AND INFORMATION

Director Pace presented the Financial Revenue and Expenditure Reports for fiscal year 2025. Fiscal year 2025 reflected a revenue deposit total of \$419,856.49 to date. Following a proper motion by Scott Wood and a second by Jerel Saeler, the Commission unanimously approved the Financial Revenue and Expenditure Reports for fiscal year 2025.

Director Pace presented the Monthly License Activity Reports, License Renewal Reports, Dealer and Lessor License Renewal Summary, Manufacturer & Distributor License Renewal Summary, and Voluntary License Surrender Reports. Director Pace noted the addition of seven new licensed franchise dealers: Everett Infiniti of Northwest Arkansas, Lone Star Golf Cars, Campbell Chrysler Dodge Jeep Ram Fiat, Stribling Equipment, Dalton RV, Everett Kia, and Send it Offroad. Director Pace also noted existing dealership changes. Mark Martin Kia Ford has changed its DBA name to Mark Martin Ford and no longer carries Kia North America. Campbell Chrysler Dodge Jeep Ram has changed its DBA name to Chris Crain Chrysler Dodge Jeep Ram Fiat. Campbell Fiat Alpha Romeo has

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April 16, 2025

changed its DBA name to Chris Crain Fiat. Licensing Supervisor Alexus Dunlap noted updates to the Dealer and Lessor License Renewal Summary, stating that out of the entire list, only five (5) licenses are expired. As of April 16, 2025, there is one licensed Distributor and five licensed Manufacturers that have not renewed for the 2024-2025 licensing period.

The Investigation Summary Reports compiled by Investigators Margie Sexton and John Aquilino included the time frame of February 2025 through April 2025. There have been investigations into title issues, unlicensed dealers, an unlicensed manufacturer, warranty disputes, and advertising complaints. In addition, 25 noted dealer visits have been conducted from February to April 2025. The investigators have completed 10 advertisement reviews for licensed Franchise Auto Dealers in the 2025 calendar year. The Commission has received 56 total complaints (Formal & Non-Formal) since the first of the year. Investigator John Aquilino provided the Commission with an update on C#24-028 Central Arkansas Mahindra vs. Argo, regarding the repurchase of products, parts, and specialty tools, following the termination of Central Arkansas Mahindra's sales and service agreement with Argo.

LEGAL BRIEFINGS

Senior Assistant Attorney General Michael Lewis provided an update on C#24-027 Gentry Chevrolet vs. General Motors. The Ad Hoc Committee recommends that, due to the nature of the complaint, a formal hearing be set before the Full Commission. The Commission unanimously approved that a formal hearing be set before the Full Commission for C#24-027 Gentry Chevrolet vs. General Motors, following a proper motion by Michael Johnson and a second by Jerel Saeler.

Senior Assistant Attorney General Michael Lewis proposed that the hearing for C#24-027 take place in July 2025 during a date range that is most advantageous to the commissioners, as he believes the hearing will take a full day or multiple days to complete. The Commission unanimously approved for Director Daniel Pace to schedule the date(s) of the hearing to be set in the month of July 2025, to be determined based on the availability of all commissioners, following a proper motion by Michael Johnson and second by Scott Wood.

Senior Assistant Attorney General Michael Lewis also requested that the commission authorize Director Daniel Pace to issue subpoenas with respect to C#24-027 Gentry Chevrolet vs. General Motors, to assist in the fact-finding process and the scheduled hearing at his discretion. Following a proper motion by Scott Wood and a second by Michael Johnson, the Commission unanimously approved for Director Daniel Pace to issue subpoenas for the approved hearing in regard to C# 24 - 027 Gentry Chevrolet vs. General Motors.

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

April 16, 2025

ACTION AND DISCUSSION ITEMS

Director Pace introduced a Complaint (NF#25-004) against Icon of Hot Springs, also known as Golf Cart Elite, owned by Scottie Walbeck, a company which is currently selling regulated motor vehicles without obtaining a license through the Arkansas Motor Vehicle Commission (AMVC). Information on the complaint was presented to the commission by Investigators Margie Sexton and John Aquilino. Mr. Walbeck has been visited at his business on two separate occasions by Investigator Aquilino and Investigator Sexton. AMVC staff have communicated with him in person, over the phone, and through email. Mr. Walbeck has been in regular communication with the AMVC staff since the middle of January 2025 and has been provided with detailed instructions on what is required for licensing and how to obtain a license. AMVC staff have attempted to assist him in applying for a license with the Commission through the ELP system. Mr. Walbeck has been informed numerous times that he must be licensed before he can sell regulated products, and the products offered for sale must be from a licensed Manufacturer or Distributor after obtaining an approved Dealer Sales and Service agreement. As of today, Mr. Walbeck still has not applied to the Commission for a New Franchise Dealer license. Director Pace requested that the Commissioners set a formal hearing to address the licensing violations before the full Commission. The Commission unanimously approved that a formal hearing be set for the date of June 18, 2025, which is the next scheduled Commission Meeting date, to address (NF#25-004) AMVC vs. Icon of Hot Springs/Golf Cart Elite, following a proper motion by Scott Wood and a second by Michael Johnson.

Director Pace presented two (2) Voluntary License Surrender Agreements from license holders no longer conducting business in the state of Arkansas (listed under Section 6B on the agenda). 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 the two (2) Voluntary License Surrender Agreements listed under Section 6B on the Agenda by Michael Johnson 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 31, 2025, the application period has closed, and the Commission has received complete applications for funding from thirteen (13) 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 program funding recommendations, which will be completed during a scheduled meeting with Director Pace in the next few weeks. Director Pace plans to present the program funding recommendations for final review and approval at the May 21, 2025, Commission Meeting, as long as the funding recommendations meeting is completed before that date.

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

April 16, 2025

Director Daniel Pace explained legislative bills HB1606, HB1688, HB1834, HB1845, HB1960, and HB1968, to the Commission, with respect to the potential impact on the motor vehicle industry, the public, and the Motor Vehicle Commission if each proposed bill is enacted.

Director Daniel Pace explained the need for updates to the ELP (Enterprise License & Permits System) to account for the new requirements established in the AMVC Act under recently enacted legislation that will take effect in August 2025, which directly affects ATV and LSV Dealers. The Commission will address this issue directly in the future through the rule-promulgation process and staff will work with the ADLL IT Department on the necessary license application updates.

Director Pace asked the Commission to approve for a new required document to be added to the ELP System for all Manufacturer and Distributor license applications. The document will be a required list of all active Manufacturer and Distributor Representatives assigned to Arkansas. The Commission unanimously approved for Commission staff to add a required document to all Manufacturer and Distributor license applications in the ELP System, which will include a full list of all active Manufacturer and Distributor Representatives assigned to Arkansas, following a proper motion by Michael Johnson and a second by Jerel Saeler.

ADJOURNMENT

Following a proper motion by Scott Wood and a second by Jimmy Jones, Chair Joy Blankenship thanked everyone for their attendance and adjourned the meeting at 11:40 A.M. on April 16, 2025, by unanimous approval of the Commission.

Minutes submitted by:

ieloce Alexus Dunlap and Daniel Pace Date:

Minutes Approved by:

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on Chair Joy Blankenship

ma Date: