

Meeting Minutes of the Arkansas Motor Vehicle Commission

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

January 15, 2025

CALL TO ORDER

The regularly scheduled meeting of the Arkansas Motor Vehicle Commission was called to order on January 15, 2025, at 9:34 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, Michael Moix, and Clay Maxey. Staff present included Director Daniel Pace, Licensing Supervisor Alexis Dunlap, and Investigators Margie Sexton and John Aquilino. Other individuals in attendance included Senior Assistant Attorney General Julie Chavis, Lev Bradford (Owner of Bradford Marine & ATV), Will Allison (Legal Counsel for Bradford Marine & ATV), Joey Price (Local Legal Counsel for BRP US Inc.), Brandon Prosansky (Outside Legal Counsel for BRP US Inc.), and Courtney Sheppard (Government Solutions). This Commission meeting was broadcast on AR-CAN Arkansas PBS.

ANNOUNCEMENTS

Following a welcome by Commission Chair Joy Blankenship, the Commission received a proper introduction to the Commission's new Legal Counsel, Senior Assistant Attorney General Julie Chavis.

Senior Assistant Attorney General Julie Chavis provided a reminder to the Commissioners about Open Meeting Requirements and the Freedom of Information Act (FOIA), specifically with respect to outside communications with anyone that may have business before the Commission.

PREVIOUS MEETING MINUTES

The minutes from the Wednesday, October 16, 2024, regularly scheduled meeting were reviewed and unanimously approved by the Commission following a proper motion by Scott Wood and a second by Michael Moix.

NEW BUSINESS

Authorization of Commissioner (Board Member) Expense Reimbursements (pursuant to Ark Code Ann. § 25-16-902) and authorization of Commissioner (Board Member) Stipends (pursuant to Ark Code Ann. § 25-16-903) for the 2025 Calendar Year were reviewed and unanimously approved by vote of the Commission following a proper motion by Michael Moix and a second by Jimmy Jones.

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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 \$403,965.10 to date. Following a proper motion by Scott Wood and a second by Michael Moix, the Commission unanimously approved the Financial Revenue and Expenditure Reports.

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 eight new franchise dealers: Hot Springs Campground, Liv3 Tiny Homes, Fun Town RV Little Rock (Cabot), Mitchell's Equipment Sales, Scooter Stop and Auto Shop, C2 Powersports of Hope, Top Carts 413, and Paris Chevrolet. As of January 10, 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 October 2024 through January 2025. There have been investigations into title issues, unlicensed dealers, an unlicensed manufacturer, warranty disputes, and advertising complaints. In addition, there have been 45 noted dealer visits conducted during the October to January 2025 time period. The investigators have completed 14 advertisement reviews for licensed Franchise Auto Dealers in the 2024 calendar year. The Commission has investigated 139 total complaints (Formal & Non-Formal) in 2024 which surpasses the total number of complaints filed and investigated during the 2022 and 2023 calendar years. Investigator John Aquilino provided an update on the Investigation into White River ATV owned by Mr. Bill Holifield per the request of the Commission at the August 21, 2024, Commission meeting. Mr. Holifield has remained cooperative with the Commission and has moved his business to the new location in Batesville, however, he is still in the process of moving over all of his inventory. Investigator John Aquilino will meet with Mr. Holifield before the next regularly scheduled Commission meeting to ensure all products have been moved.

Director Pace introduced the Legal Counsel of Bradford Marine & ATV, Inc., Will Allison, the Owner of Bradford Marine & ATV, Inc., Lev Bradford, as well as the Legal Counsel for BRP US Inc., Joey Price and Brandon Prosansky. They were all present at the Commission's request to provide an update on the current protest complaint dispute between both parties, and to explain their jointly proposed Hearing Schedule Request to the Commission. Mr. Prosansky explained the general background and details of the dispute and settlement discussions between both parties. Mr. Allison also provided a brief explanation of Bradford Marine & ATV's current business plan and the status of the parties' current settlement discussions. The parties provided a joint request to the Commission on November 25, 2024, which included a Proposed Pre-Hearing and Hearing Schedule. The Commission unanimously approved a motion to accept the Pre-Hearing and Hearing Schedule as

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proposed by both parties in the joint request provided to the Commission on November 25, 2024, after a proper motion by Michael Moix and a second by Michael Johnson.

ACTION AND DISCUSSION ITEMS

Director Pace presented fifteen (15) Voluntary License Surrender Agreements from license holders no longer conducting business in the state of Arkansas (listed under Section 8A 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 all fifteen (15) Voluntary License Surrender Agreements listed under Section 8A on the Agenda by Scott Wood and a second by Jerel Saeler, the Commission unanimously approved the motion.

Commission Chair Joy Blankenship requested that Director Daniel Pace provide an update on Formal Complaint C#24-019, AMVC vs. Tractor Supply Company. As instructed by the Commission at the August 21, 2024, Commission meeting, Director Daniel Pace and Assistant Attorney General Michael Bynum composed and sent an official letter to Tractor Supply Company Corporate to facilitate a dialogue regarding the numerous licensing violations discovered by Commission staff and bring all Tractor Supply store locations into compliance with Commission rules and license statutes. Tractor Supply Company provided a formal response attesting that the company has removed all unlicensed products identified in the initial letter sent by the Director and Mr. Bynum, however, they have requested that the Commission reconsider its position on the matter in regard to penalties and the license requirement to sell the LSV products. The investigators visited a total of 24 Unlicensed Tractor Supply locations throughout the state and found that 21 of the visited locations engaged in the act of selling regulated vehicles without a license. Upon receiving the formal response from the Tractor Supply Company, the Commission investigators revisited ten (10) of the 21 locations and confirmed that those locations no longer had the products available for sale. Senior Assistant Attorney General Julie Chavis requested for the Commission to consider tabling the matter until the February 2025 Commission Meeting to allow her to research the matter and draft a final response to Tractor Supply Company after consultation with the Commission Ad-Hoc Committee. After a proper motion by Michael Moix and a second by Scott Wood, the Commission unanimously approved that the discussion regarding addressing the Tractor Supply Company Formal Response be tabled until the February 2025 Commission Meeting to allow Senior Assistant Attorney General Julie Chavis to review the matter and work with the Ad-Hoc Committee to draft a final response from the Commission.

Director Daniel Pace presented the Fiscal Year 2023 Internal Control and Compliance Assessment for the Arkansas Department of Labor and Licensing compiled by Arkansas Legislative Audit to the Commission for review pursuant to Ark Code Ann. §10-4-418. Following a proper motion

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by Scott Wood and a second by Jimmy Jones, the Commission unanimously approved the motion that the Internal Control and Compliance Assessment for the Arkansas Department of Labor and Licensing for Fiscal Year 2023, has been reviewed and accepted by the Arkansas Motor Vehicle Commission.

Commission Chair Joy Blankenship provided a reminder to the Commissioners that the annual Statement of Financial Interest is required to be filed with the Arkansas Secretary of State Office no later than January 31, 2025, pursuant to Ark Code Ann. § 21-8-701.

Director Daniel Pace presented the Arkansas Motor Vehicle Commission's (AMVC) Reduction of Licensing Fees Letter sent to the Department of Finance and Administration's Secretary Jim Hudson and AMVC licensees, as required to comply with Act 114 of 2023. The Reduction of fees will remain in effect for one year and went into effect on November 1, 2024. Following a proper motion by Michael Moix and a second by Michael Johnson, the Commission unanimously approved the motion that the Reduction of Licensing Fees Letter has been reviewed and accepted by the Arkansas Motor Vehicle Commission.

Arkansas Tech University-Ozark (ATEGP FY2024-007) has purchased each item originally requested in their approved grant application and after a change in the price of supplies they still have \$736.42 in remaining grant funds. They have submitted a request to the Commission for authorization to use the remaining funds to purchase additional materials and supplies for the program. Following a proper motion by Jimmy Jones and a second by Michael Johnson, the Commission unanimously approved for Arkansas Tech University-Ozark to use the remaining grant funds to purchase additional materials and supplies.

ADJOURNMENT

Following a proper motion by Scott Wood and second by Michael Moix, Chair Joy Blankenship thanked everyone for their attendance and adjourned the meeting at 11:04 A.M. on January 15, 2025, by unanimous approval of the Commission.

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Minutes submitted by:


Alexis Dunlap and Daniel Pace Date: January 27, 2025

Minutes Approved by:


Commission Chair Joy Blankenship Date: January 27, 2025