



AADA LEGISLATIVE UPDATE

APRIL 16, 2021



DEALER ALERT!

NEED YOUR HELP BEFORE NEXT TUESDAY,
APRIL 20!

[HB 1922](#) is AADA's bill to amend the Motor Vehicle Commission Act and is a critical bill for Arkansas Dealers.

We have worked for months with the manufacturers to attempt to reach an agreement without success, and the fight will continue in the House Transportation Committee on Tuesday, April 20 at 9:30 a.m.

What HB 1922 Does

HB 1922 adds much needed protections for dealers related to warranty reimbursement issues as well as giving control of a dealer's digital platform, such as your website, back to the dealer. Specifically, the bill does the following ([CLICK HERE FOR BILL NOTES](#)):

- Clarifies the definition of a franchise agreement;
- Defines Digital Platform as well as specifies that a dealer maintains and controls the vehicle inventory and service provider for the dealer's digital platform;
- Clarifies that a motor vehicle lessor may sell used motor vehicles and the ownership of the lessor;
- Clarifies the warranty reimbursement rate provision, and provides for a 45-day approval or disapproval by the manufacturer for a requested rate change;
- Updates the language for warranty reimbursement of parts and labor. Includes a clarification of the formula used for calculating the reimbursement rate;
- Clarifies the models of vehicles offered to a dealer and the criteria for receiving these vehicles;
- Adds equipment, special tools, and digital platforms to the list of substantially similar goods and services that shall not have approval withheld; and
- Updates the requirements for a dealer to receive a model or series of vehicles.

Contact Your State Representatives and State Senators TODAY!

As the Legislative Session winds down we are making a final push to pass this key legislation.

Contact your State Representative at (501) 682-6211 and at [Arkansas House of Representatives](#).

Contact your State Senator at (501) 682-2902 and at [Arkansas Senate](#).

Also for information on the members of the House Transportation Committee [CLICK HERE](#).

If you have any questions on HB 1922, or any other legislation, please do not hesitate to call, 501-372-2596, or email Greg Kirkpatrick greg@arkautodealers.com.