



AADA LEGISLATIVE UPDATE #6

APRIL 20, 2021



DEALER ALERT!

HB 1922 PASSES OUT OF HOUSE COMMITTEE - MOVES TO THE HOUSE FLOOR

[HB 1922](#), AADA's bill to amend the Motor Vehicle Commission Act, passed out of House Committee this morning, and will appear on the House of Representatives calendar tomorrow, April 21, 2021. Representative Jeff Wardlaw is carrying the bill for us in the House and did a masterful job getting it out of Committee today.

The manufacturers testified against the bill, and are certain to work even harder against its passage. As I mentioned previously, we have worked for months with the manufacturers to attempt to reach an agreement without success, and the fight will now continue on the House Floor.

If we can successfully get HB 1922 voted out of the House tomorrow, it will move to the Senate. Senator Ben Gilmore is carrying the bill, and it will be all hands on deck. WE NEED YOUR HELP NOW!!

***Contact Your State Representatives and State Senators TODAY!
Ask Them to Support HB 1922!***

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](#).

What HB 1922 Does

HB 1922 is an amendment to the Arkansas Motor Vehicle Commission Act that is good for small businesses in Arkansas, and will help consumers by keeping operational costs under control and therefore costs to the consumer lower. HB 1922 puts the control of critical business decisions back in the hands of Arkansas dealers. For example, the bill specifies that a dealer maintains and controls the operations and content related to its digital platform. This includes critical decisions such as the service providers and the dealership's inventory.

A dealership's digital platform is effectively its online show room. Over the years, manufacturers have grabbed more and more control over this space which has led to costs going up unreasonably, and a diminished amount of control by the local dealer over the vehicle inventory, content, and sales tools that make up this online show room.

Additionally HB 1922 allows local Arkansas dealers to purchase goods and services of substantially similar quality, design, and functionality including equipment, special tools, or digital platforms that do not contain or utilize a manufacturer's or distributor's intellectual property or proprietary design from vendors the local dealer chooses. This right is critical as dealers continue to invest in new technologies.

Finally, HB 1922 provides for a 45-day approval or disapproval by the manufacturer for a requested warranty rate change as well as clarifies the formula used for calculating the reimbursement rate.

[\(CLICK HERE FOR BILL NOTES\)](#)

For sample language for a letter or email to send to your State Representative or Senator please [CLICK HERE](#). This letter is just an outline for you, and please feel free to use it as a sample.

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.