



## AADA LEGISLATIVE UPDATE #7

APRIL 21, 2021



### DEALER ALERT!

#### HB 1922 PASSES OUT OF THE HOUSE 83-0! HEADS TO THE SENATE

[HB 1922](#) passed unanimously out of the state House of Representatives earlier this afternoon and we anticipate it will run in the Senate Transportation, Technology, and Legislative Affairs Committee tomorrow morning, April 22, 2021, at 10:30 a.m. I would like to thank Representative Jeff Wardlaw for his work in the state House of Representatives, and I would also encourage each dealer to send a note thanking your State Representative for their support of HB 1922.

Senator Ben Gilmore is carrying the bill for us in the Senate and **WE NEED YOUR HELP!** The manufacturers will be onsite to testify against the bill, and it is critical that each of you contact your State Senator asking them to support HB 1922.

It is especially critical that members of the Senate Transportation, Technology, and Legislative Affairs Committee hear from dealers immediately!! For a list of the members of this committee, [CLICK HERE.](#)

Thank you for your work so far, but there is more to do!!

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

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

***What HB 1922 Does***

HB 1922 is an amendment to the Arkansas Motor Vehicle Commission Act which 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. This has led to costs going up an unreasonable amount, and left local dealers with a diminished amount of control over the vehicle inventory, content, and sales tools which 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 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](mailto:greg@arkautodealers.com).