



ARKANSAS AUTOMOBILE DEALERS ASSOCIATION

AADA LEGISLATIVE UPDATE MARCH 31, 2023



LEGISLATIVE UPDATE

As the legislative session winds down, yesterday was the most important day of the 2023 session, and represented two big wins for every dealer in Arkansas.

Bill Allowing Manufacturer Owned Stores Moves to Interim Study

First, we have been keeping you updated on the most important fight AADA has faced in years. [SB 395](#) by Senator Mark Johnson was a direct attack on the state's franchise laws and locally owned, independent dealer network. This bill would allow EV and zero-emission manufacturers to sell directly to consumers rather than through a dealer. This business model is harmful to consumers and bad for local Arkansas businesses.

After an incredible effort from dealers across the state, Sen. Johnson announced in the Transportation Committee that he was pulling the bill down this session. SB 395 was the proverbial “camel’s nose under the tent” for manufacturer owned stores in Arkansas. Dealers across the state immediately recognized this threat and jumped into action.

DEALER FRANCHISE BILL

The success for AADA does not end with SB 395. AADA's franchise bill, [HB 1579](#), was successfully passed out of the Senate Transportation Committee yesterday and will now head to the Senate floor for final passage. A special thanks goes out to Rep. Jeff Wardlaw and Sen. Ben Gilmore for carrying this

bill for us. We will keep you updated on how this bill progresses, and you should all be very proud of the successes from this week!

WHAT HAPPENS NEXT

While it's good to celebrate these wins, the work has just started. We have some lead time to prepare for another direct sales fight, and our target date for action is January 2025.

One of the most important parts of this strategy will be an immediate capital campaign for AADAPAC. We have not done this in years, and after this session it's more critical than ever that we have the funds on hand to target all key members of the General Assembly in the next election cycle. More to come on this soon, but expect a call or letter from me asking for donations.

Again, thank you all for everything, and I will keep you updated over the next couple of weeks as the session winds down.

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