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Proposed Rulemaking

Title

Promulgated by:
Department of Labor and Licensing
Arkansas Motor Vehicle Commission

Title 23. Public Utilities and Regulated Industries

Chapter XII. Arkansas Motor Vehicle Commission, Department of Labor and Licensing

Subchapter A. Generally

Part 410. Arkansas Motor Vehicle Commission Rules

Subpart 4. Facility Requirements for Locations Licensed by the Commission

23 CAR § 410-401. Facility requirements for locations licensed by the commission.

(a) General requirements.

(1)(A) Must be a building permanently affixed and anchored to a foundation system.

(B) A tent or temporary stand is not deemed permanent.

(2) May not be shared with a residence or another business unrelated to motor vehicles.

(3) Must have electrical service.

(4) Must have adequate sanitary facilities (restroom).

(5) New motor vehicle dealers license must be prominently displayed and in public view.

(6) Hours of operation posted at the licensed facility must have hours of operation to include at a minimum of three (3) days per week for a continuous four (4)

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hours per day between 8:00 a.m. and 9:00 p.m.

(7) Must have an office area capable of storing all transaction documents safely and in a manner to provide ease of access for inspection of these documents.

(b) Facility signage.

(1) A sign shall be permanently affixed on the premises of the facility.

(2) The sign must be visible from the road and clearly and specifically identify the business.

(c) Display area.

(1) Must have a dedicated display area inside the building.

(2) Display area must be a minimum of one hundred twenty square feet (120 sq. ft.) with enough dedicated space to display at least two (2) or more new motor vehicles.

(d) Service and parts area.

(1) Must have a dedicated service and parts area inside the building.

(2) Minimum one hundred twenty square feet (120 sq. ft.) of useable service area.

(3) The area should be arranged with adequate space to repair and service at least one (1) vehicle with access to:

(A) Tools;

(B) Replacement parts; and

(C) Service equipment.

23 CAR § 410-402. Facility requirements for branch locations licensed by the commission.

(a) **Branch name.** The name used on signage at the branch location and in advertisements for the branch location:

(1) May not include any portion of the franchise name used at the primary location; and

(2) May not include product nameplates and/or logos.

(b) Geographical location.

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(1) A new motor vehicle dealer may obtain a license to operate a branch location.

(2) The branch location must be within the dealer's relevant market area as defined in Arkansas Code § 23-112-103 or within the market area specified in the licensee's franchise agreement, whichever is greater.

(c) **Product sold.**

(1) Only used vehicles may be displayed and sold at the branch location.

(2) No new motor vehicles or demonstrators of any brand may be displayed or sold at the branch location.

(d) **Sales facilities.**

(1) There must be a permanent building from which sales are conducted.

(2) Records of sales transactions may be kept at the dealer's primary location.

(e) **Service facilities.** The branch location is not required to have service facilities on the premises.

23 CAR § 410-403. New all-terrain vehicle dealer or new low speed vehicle dealer service and parts requirements.

(a) 23 CAR §410-401(d) shall not apply to new all-terrain vehicle dealers or new low speed vehicle dealers.

(b) In lieu of the requirements of 23 CAR §410-401(d), new all-terrain vehicle dealers or new low speed vehicle dealers shall provide:

(1) Service of an all-terrain vehicle or low speed vehicle sold by the new all-terrain vehicle or new low speed vehicle dealer; or

(2) To the purchaser of the all-terrain vehicle or low speed vehicle the name of a service provider within forty (40) miles of the new all-terrain vehicle dealer or new low speed vehicle dealer that will service the all-terrain vehicle or low speed vehicle sold by the new all-terrain vehicle dealer or new low speed vehicle dealer to the purchaser.

(c) A new all-terrain vehicle dealer or new low speed vehicle dealer shall have a written agreement with a service provider or warranty service provider within forty (40) miles of the dealer if the dealer does not service the vehicles sold.

(1) The agreement should state, at a minimum, the following:

(A) The name, address, telephone number and email address of the service provider;

(B) The line make(s) in which the service provider has agreed to service the warranty or manufacturer's warranty; and

(C) The expiration date of the agreement between the dealer and service provider.

(d) At the time of license application and renewal, a new all-terrain vehicle dealer or new low speed vehicle dealer shall provide the commission a copy of the written agreement between the dealer and the service provider or warranty service provider located within forty (40) miles of the dealer.

(e) Nothing in this subsection limits the number of service providers a dealer may have a written agreement with; however, a copy of all agreements shall be provided to the commission at the time of application and renewal.

(f) A new all-terrain vehicle dealer or new low speed vehicle dealer shall provide, at the time of purchase, the purchaser with the following information concerning the service provider or warranty service provider:

(1) The name, address, telephone number and email address of the service provider with whom the dealer has a written agreement as required under subsection (c); and

(2) A statement that the service provider has agreed in writing with the dealer to service the line make being purchased.

1 State of Arkansas As Engrossed: S1/27/25 S2/19/25

2 95th General Assembly

A Bill

3 Regular Session, 2025

SENATE BILL 94

4

5 By: Senator J. Dotson

6 By: Representative Achor

7

8

For An Act To Be Entitled

9 AN ACT CONCERNING THE REQUIREMENT FOR NEW ALL-TERRAIN
10 VEHICLE DEALERS AND NEW LOW SPEED VEHICLE DEALERS TO
11 MAINTAIN SERVICE AND PARTS STORAGE AREAS; AND FOR
12 OTHER PURPOSES.

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14

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Subtitle

16

TO AMEND THE REQUIREMENT FOR NEW ALL-
17 TERRAIN VEHICLE DEALERS AND NEW LOW
18 SPEED VEHICLE DEALERS TO MAINTAIN
19 SERVICE AND PARTS STORAGE AREAS.

20

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

22

23 SECTION 1. Arkansas Code § 23-112-302(e), concerning the requirements
24 for licensing of a new motor vehicle dealer, is amended to read as follows:

25 (e)(1) The Except as provided by subdivision (e)(2) of this section,
26 the applicant for a license as a new motor vehicle dealer shall furnish
27 satisfactory evidence that the applicant:

28

~~(1)(A)~~ Maintains adequate space in the building or
29 structure wherein the applicant's established business is conducted for the
30 display of new motor vehicles or will have the facilities within a reasonable
31 time after receiving a license;

32

~~(2)(B)~~ Has or will have adequate facilities in the
33 building or structure to perform repair and service work on motor vehicles
34 and adequate space for storage of new parts and accessories for the motor
35 vehicles; and

36

~~(3)(C)~~ Will perform repair and warranty services on a



1 motor vehicle at the licensed location.

2 (2) A new all-terrain vehicle dealer or new low speed vehicle
3 dealer is not required to:

4 (A) Have a dedicated service and parts area inside of the
5 building or structure wherein the dealer's established business is conducted;
6 or

7 (B) Perform repair and warranty services on a motor
8 vehicle at the licensed location.

9 (3) A new all-terrain vehicle dealer or new low speed vehicle
10 dealer shall:

11 (A) Provide:

12 (i) Service of an all-terrain vehicle or low speed
13 vehicle sold by the new all-terrain vehicle dealer or new low speed vehicle
14 dealer; or

15 (ii) To the purchaser of the all-terrain vehicle or
16 low speed vehicle the name of a service provider within forty (40) miles of
17 the new all-terrain vehicle dealer or new low speed vehicle dealer that will
18 service the all-terrain vehicle or low speed vehicle sold by the new all-
19 terrain vehicle dealer or new low speed vehicle dealer to the purchaser;

20 (B) Provide a warranty or a manufacturer's warranty on an
21 all-terrain vehicle or low speed vehicle sold by the new all-terrain vehicle
22 dealer or new low speed vehicle dealer;

23 (C) Coordinate with a warranty service provider within
24 forty (40) miles of the new all-terrain vehicle dealer or new low speed
25 vehicle dealer to service the warranty or manufacturer's warranty provided
26 under subdivision (e)(3)(B) of this section;

27 (D) Submit the information concerning a service provider
28 or warranty service provider identified under subdivision (e)(3)(A)(ii) or
29 subdivision (e)(3)(C) of this section to the Arkansas Motor Vehicle
30 commission annually during the renewal of the license for the new all-terrain
31 vehicle dealer or new low speed vehicle dealer; and

32 (E) Provide information concerning a service provider or
33 warranty service provider identified under subdivision (e)(3)(A)(ii) or
34 subdivision (e)(3)(C) of this section to the purchaser of an all-terrain
35 vehicle or low speed vehicle sold by the new all-terrain vehicle dealer or
36 new low speed vehicle dealer.

