

Occupational Authorizations

for the meeting of the

ALC-OCCUPATIONAL LICENSING REVIEW SUBCOMMITTEE

Thursday, September 25, 2025 at 1:30 PM

Arkansas State Police

UMVD NEW PRIMARY DEALER

Authorization Type: Licensure # of Individuals Regulated: 3154

Regulatory Services Division, Used Motor Vehicle Dealer Section **Entity Division Name:**

Scope of Practice: UMVD New Primary Dealer means any person who engages in business as a used motor vehicle dealer

> or to sell a vehicle not his or her own without obtaining a used motor vehicle dealer's license, except that a person defined as a salesperson in 23-112-602 may act on behalf of the dealer by whom such a

person is employed.

Statutory Requirement(s): A.C.A 23-112-601

Pursuant to Arkansas Code §17-4-104, do you provide an automatic licensure to a uniformed service member stationed in the State of Arkansas, a uniformed service veteran who resides in or establishes residency in the State of Arkansas; and the spouse of a uniformed service member who is stationed in, resides in, or establishes residency in the State of Arkansas; a uniformed service member who is assigned a tour of duty that excludes the uniformed service member's spouse from accompanying the uniformed service member and the spouse relocates to this state; and a uniformed service member who is killed or succumbs to his or her injuries or illness in the line of duty if the spouse establishes residency in the state?

Yes

es & Penalties Fee Type	Fee Description	Amount (\$)	Frequency
ree Type	ree Description	Amount (3)	rrequency
Fee	Application and License Fee	\$250.00	Annually
ministrative Rule	es Documents		
Document Type	Document		
Rules	<u>UMVD-Statute-8-24-2023-1-11-2024.pdf</u>		
Rules	UMVD-Rules-1-11-2024.pdf		
Rules	UMVD Service Handling Fees Rules 9.15.07.pdf		

No Supporting Evidence Documents Provided

UMVD SATELLITE RENEWAL

Authorization Type: Licensure # of Individuals Regulated: 99

Regulatory Services Division, Used Motor Vehicle Dealer Section **Entity Division Name:**

Scope of Practice: A dealer having more than one (1) location will receive an additional certificate for each second and

subsequent location for one hundred twenty-five dollars (\$125) each. The license must be renewed

annually to maintain licensure.

A.C.A 23-112-601 Statutory Requirement(s):

Pursuant to Arkansas Code §17-4-104, do you provide an automatic licensure to a uniformed service member stationed in the State of Arkansas, a uniformed service veteran who resides in or establishes residency in the State of Arkansas; and the spouse of a uniformed service member who is stationed in, resides in, or establishes residency in the State of Arkansas; a uniformed service member who is assigned a tour of duty that excludes the uniformed service member's spouse from accompanying the uniformed service member and the spouse relocates to this state; and a uniformed service member who is killed or succumbs to his or her injuries or illness in the line of duty if the spouse establishes residency in the state?

Yes

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Arkansas State Police (Continued) **UMVD SATELLITE RENEWAL (Continued)** Fees & Penalties Fee Type Fee Description Amount (\$) Frequency Fee Application \$125.00 Annually **Administrative Rules Documents** Document Type Document Rules UMVD Service Handling Fees Rules 9.15.07.pdf Rules UMVD-Rules-1-11-2024.pdf Rules UMVD-Statute-8-24-2023-1-11-2024.pdf

No Supporting Evidence Documents Provided

UMVD NEW SATELLITE DEALER

Supporting Evidence Documents

Authorization Type: Licensure # of Individuals Regulated: 99

Entity Division Name: Regulatory Services Division, Used Motor Vehicle Dealer Section

Scope of Practice: A dealer having more than one (1) location will receive an additional certificate for each second and

subsequent location for one hundred twenty-five dollars (\$125) each.

Statutory Requirement(s): A.C.A 23-112-608 (3)

Pursuant to Arkansas Code §17-4-104, do you provide an automatic licensure to a uniformed service member stationed in the State of Arkansas, a uniformed service veteran who resides in or establishes residency in the State of Arkansas; and the spouse of a uniformed service member who is stationed in, resides in, or establishes residency in the State of Arkansas; a uniformed service member who is assigned a tour of duty that excludes the uniformed service member's spouse from accompanying the uniformed service member and the spouse relocates to this state; and a uniformed service member who is killed or succumbs to his or her injuries or illness in the line of duty if the spouse establishes residency in the state?

Yes

Fees & Penalties						
Fee Type	Fee Description	Amount (\$)	Frequency			
Fee	Application	\$125.00	Annually			
Administrative Rules	Administrative Rules Documents					
Document Type	Document					
Rules	<u>UMVD_ServiceHandling_Fees_Rules_9.15.07.pdf</u>					
Rules	UMVD-Rules-1-11-2024.pdf					
Rules	<u>UMVD-Statute-8-24-2023-1-11-2024.pdf</u>					
Supporting Evidence Documents						

No Supporting Evidence Documents Provided

UMVD PRIMARY RENEWAL

Authorization Type: Licensure # of Individuals Regulated: 3154

Entity Division Name: Regulatory Services Division, Used Motor Vehicle Section

Scope of Practice: UMVD New Primary Dealer renewal means any person who engages in business as a used motor

vehicle dealer or to sell a vehicle not his or her own without obtaining a used motor vehicle dealer's license, except that a person defined as a salesperson in 23-112-602 may act on behalf of the dealer by whom such a person is employed. The license must be renewed annually to maintain licensure.

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Arkansas State Police (Continued)

UMVD PRIMARY RENEWAL (Continued)

Statutory Requirement(s): A.C.A 23-112-601

Pursuant to Arkansas Code §17-4-104, do you provide an automatic licensure to a uniformed service member stationed in the State of Arkansas, a uniformed service veteran who resides in or establishes residency in the State of Arkansas; and the spouse of a uniformed service member who is stationed in, resides in, or establishes residency in the State of Arkansas; a uniformed service member who is assigned a tour of duty that excludes the uniformed service member's spouse from accompanying the uniformed service member and the spouse relocates to this state; and a uniformed service member who is killed or succumbs to his or her injuries or illness in the line of duty if the spouse establishes residency in the state?



Fees & Penalties					
Fee Туре	Fee Description	Amount (\$)	Frequency		
Fee	Primary Dealer Renewal	\$250.00	Annually		
Administrative Rule	es Documents				
Document Type	Document				
Rules	UMVD_Service Handling Fees_Rules 9.15.07.pdf				
Rules	UMVD-Rules-1-11-2024.pdf				
Rules	<u>UMVD-Statute-8-24-2023-1-11-2024.pdf</u>				
upporting Evidenc	e Documents				

No Supporting Evidence Documents Provided

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Responses to the following questions are due via email to Subcommittee staff no later than the 15th of the month immediately preceding the month the occupational authorization is scheduled for review by the Subcommittee.

- 1. Would consumers be at risk of substantial harm if Arkansas did not have this occupational authorization? Used Motor Vehicle Dealers are licensed to protect Arkansas consumers from potentially falling victim to fraudulent sales practices when purchasing a used motor vehicle. What instances of specific and substantial harm have been documented in the past year? There is currently one complaint that has been filed with our division regarding a dealer being impersonated on the internet. The investigation is ongoing at the time of this report.
- 2. How many complaints were made to the occupational entity by consumers being harmed by <u>unauthorized</u> practitioners? There were no complaints made to the occupational entity by consumers being harmed by <u>unauthorized</u> practitioners. What specific action was taken by the occupational entity? Not applicable.
- 3. How many complaints were made to the occupational entity by consumers being harmed by <u>authorized</u> practitioners? Forty (40) complaints were received in the last twelve (12) months regarding a licensed used motor vehicle dealer. What specific action was taken by the occupational entity? Depending on the dealer and the violation, they were issued warnings or suspensions by the occupational entity.
- 4. Were any applicants who otherwise met authorization requirements denied an authorization in the past year? All applicants who meet the requirements as outlined by the UMVD rules and statutes were granted licensure. If so, why?
- 5. How much does the occupational entity collect annually in fees, and what are annual expenses? How much money does the occupational entity have in reserves? Collections: \$824,723.13 (3-year average), Expenses: \$856,374.39 (3-year average), FY25 Carryforward Balance: \$1,110,454.08
- 6. If the occupational entity has a positive amount in reserves, when was the last time reserve funds were used? For what purpose? The agency has been dipping into the fund

balance over the last two fiscal years to cover operational costs of the program (expensed more than collected).

- 7. Does the occupational entity have any other sources of revenue? Special revenues solely fund this program. Could occupational authorization fees be reduced without causing the occupational entity to be underfunded? Special revenues solely fund this program.
- 8. How many applicants for the occupational authorization fail each year? No applications were denied. In the last twelve (12) months, there were 791 new primary used motor vehicle licenses issued. There were 2,470 renewal licenses issued. There were eight (8) new satellite licenses issued, and 93 satellites issued. Does the occupational entity track how many applicants that do not progress are veterans, women, or minorities? Application numbers are tracked for veterans to maintain compliance and reporting for automatic or expedited licensure requirements. Application numbers are not tracked for females or minorities.
- 9. Can applicants complete the training requirements for this occupational authorization with vocational or non-traditional education (e.g., apprenticeships)? Training is not required for used motor dealer licensing. What percentage of applicants complete apprenticeships? This does not apply to used motor vehicle dealers.
- 10. In what ways would removal of the occupational authorization or reduction of occupational authorization requirements be harmful to current authorization holders?
 23-112-601. Necessity for regulation -- Legislative findings -- Legislative declaration.
 - (a) The General Assembly declares that the public interest is affected by the sale and distribution of used motor vehicles, and it is recognized that a significant factor of the inducement in making a sale of a used motor vehicle to a member of the general public is the trust and confidence of the purchaser in the retail dealer from whom the purchase is made, with the expectancy that the dealer will remain in business to stand behind and provide service for the motor vehicle purchased. (b) It is therefore found to be necessary to license used motor vehicle dealers and to prohibit certain acts and set penalties for violations and perpetration of certain acts by used motor vehicle dealers who are not licensed as new motor vehicle dealers selling used cars incidental to their new motor vehicle dealership operations, salespersons, agents, representatives, and employees of used motor vehicle dealers in order to: (1) Prevent

fraud, improper impositions, and other abuses upon the citizens of this state; (2)
Protect and preserve the investments and properties of the citizens of this state; and
(3) Foster and keep alive vigorous and healthy competition by prohibiting unfair
practices by which fair and honest competition is destroyed or prevented.

The used motor vehicle industry in Arkansas would not be regulated, thus putting Arkansas consumers at substantial risk of fraudulent practices within the used motor vehicle industry.

Responses to the following questions are due via email to Subcommittee staff no later than the 15th of the month immediately preceding the month the occupational authorization is scheduled for review by the Subcommittee.

Used Motor Vehicle Dealer's Satellite

- 1. Would consumers be at risk of substantial harm if Arkansas did not have this occupational authorization? Used Motor Vehicle Satellite dealers are licensed to protect Arkansas consumers from potentially falling victim to fraudulent sales practices when purchasing a used motor vehicle. What instances of specific and substantial harm have been documented in the past year? There is currently one complaint that has been filed with our division regarding a dealer being impersonated on the internet. The investigation is ongoing at the time of this report.
- 2. How many complaints were made to the occupational entity by consumers being harmed by <u>unauthorized</u> practitioners? There were no complaints made to the occupational entity by consumers being harmed by <u>unauthorized</u> practitioners. What specific action was taken by the occupational entity? Not applicable.
- 3. How many complaints were made to the occupational entity by consumers being harmed by <u>authorized</u> practitioners? Forty (40) complaints were received in the last twelve (12) months regarding a licensed used motor vehicle dealer. These complaints are not separated based on primary or satellite dealers. Each complaint is addressed individually regardless of the location being primary or satellite. What specific action was taken by the occupational entity? Depending on the dealer and the violation, they were issued warnings or suspensions by the occupational entity.
- 4. Were any applicants who otherwise met authorization requirements denied an authorization in the past year? All applicants who meet the requirements as outlined by the UMVD rules and statutes were granted licensure for satellite locations. If so, why?
- 5. How much does the occupational entity collect annually in fees, and what are annual expenses? How much money does the occupational entity have in reserves? Collections: \$824,723.13 (3-year average), Expenses: \$856,374.39 (3-year average), FY25 Carryforward Balance: \$1,110,454.08

- 6. If the occupational entity has a positive amount in reserves, when was the last time reserve funds were used? For what purpose? The agency has been dipping into the fund balance over the last two fiscal years to cover operational costs of the program (expensed more than collected).
- 7. Does the occupational entity have any other sources of revenue? Special revenues solely fund this program. Could occupational authorization fees be reduced without causing the occupational entity to be underfunded? Special revenues solely fund this program.
- 8. How many applicants for the occupational authorization fail each year? No applications were denied. In the last twelve (12) months, there were 791 new primary used motor vehicle licenses issued. There were 2,470 renewal licenses issued. There were eight (8) new satellite licenses issued, and 93 renewals for satellite locations. Does the occupational entity track how many applicants that do not progress are veterans, women, or minorities? Application numbers are tracked for veterans to maintain compliance and reporting for automatic or expedited licensure requirements. Application numbers are not tracked for females or minorities.
- 9. Can applicants complete the training requirements for this occupational authorization with vocational or non-traditional education (e.g., apprenticeships)? Training is not required for used motor dealer licensing. What percentage of applicants complete apprenticeships? This does not apply to used motor vehicle dealers.
- 10. In what ways would removal of the occupational authorization or reduction of occupational authorization requirements be harmful to current authorization holders?23-112-601. Necessity for regulation -- Legislative findings -- Legislative declaration.
 - (a) The General Assembly declares that the public interest is affected by the sale and distribution of used motor vehicles, and it is recognized that a significant factor of the inducement in making a sale of a used motor vehicle to a member of the general public is the trust and confidence of the purchaser in the retail dealer from whom the purchase is made, with the expectancy that the dealer will remain in business to stand behind and provide service for the motor vehicle purchased. (b) It is therefore found to be necessary to license used motor vehicle dealers and to prohibit certain acts and set penalties for violations and perpetration of certain acts by used motor vehicle dealers who are not licensed as new motor vehicle dealers selling used cars incidental

to their new motor vehicle dealership operations, salespersons, agents, representatives, and employees of used motor vehicle dealers in order to: (1) Prevent fraud, improper impositions, and other abuses upon the citizens of this state; (2) Protect and preserve the investments and properties of the citizens of this state; and (3) Foster and keep alive vigorous and healthy competition by prohibiting unfair practices by which fair and honest competition is destroyed or prevented.

The used motor vehicle industry in Arkansas would not be regulated, thus putting Arkansas consumers at substantial risk of fraudulent practices within the used motor vehicle industry.