

Sandy Stroope

From: Sara Kunau <sara.kunau@sos.arkansas.gov>
Sent: Thursday, March 10, 2022 9:52 AM
To: Sandy Stroope
Subject: RE: Rule 3 Advertising, Rule 7 Off-Premise Sales, Displays and/or Events, Rule 10 Education and Training Grant Program
Attachments: Proposed_Rule_Cover_Sheet.pdf

Please fill out the attached Proposed Rule Cover Sheet. Once I receive this back, I can process your request.

Sara Kunau
Arkansas Secretary of State

“One person can make a difference, and everyone should try.” John F. Kennedy

From: Sandy Stroope <Sandy.Stroope@arkansas.gov>
Sent: Thursday, March 10, 2022 9:37 AM
To: Arkansas Register <ArkansasRegister@sos.arkansas.gov>
Subject: Rule 3 Advertising, Rule 7 Off-Premise Sales, Displays and/or Events, Rule 10 Education and Training Grant Program

External Message

To Whom It May Concern:

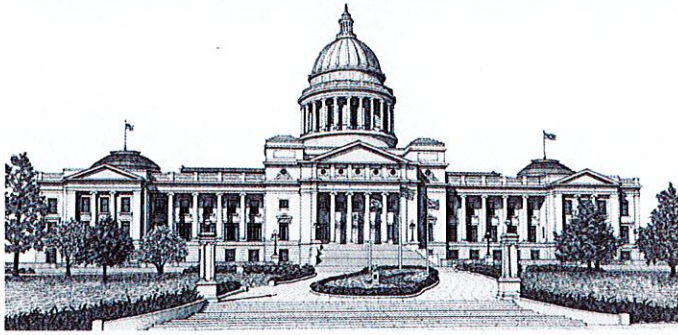
Arkansas Motor Vehicle Commission, contact is F.S. Stroope, The Rules changes are scheduled to run in the Arkansas Democrat-Gazette on March 13, 14, 15, 2022. The 30-day public comment notice will end on April 14, 2022. If you have any questions, please contact me. Thank you.

F.S. “Sandy” Stroope
Director

Arkansas Motor Vehicle Commission
(501)682-5571



ARKANSAS REGISTER



Proposed Rule Cover Sheet

Secretary of State
John Thurston
500 Woodlane Street, Suite 026
Little Rock, Arkansas 72201-1094
(501) 682-5070
www.sos.arkansas.gov



Name of Department Department of Labor and Licensing

Agency or Division Name Arkansas Motor Vehicle Commission

Other Subdivision or Department, If Applicable _____

Previous Agency Name, If Applicable _____

Contact Person F. S. Stroope

Contact E-mail sandy.stroope@arkansas.gov

Contact Phone 501-682-5571

Name of Rule Rule 3-Advertising;Rule 7-Off premise Sales, Displays and/or Events;Rule 10-Education & Training Grant Program

Newspaper Name Arkansas Democrat Gazette

Date of Publishing March 13, 2022 Through March 15, 2022

Final Date for Public Comment April 14, 2022

Location and Time of Public Meeting N/A

Rule 3 – Advertising

2. ADVERTISING GUIDELINES FOR SALE OR LEASE OF NEW AND USED MOTOR VEHICLES:

A. General advertising guidelines

(1) The advertised price of a motor vehicle must be the full cash price for which the dealer will sell or lease the vehicle to any consumer and shall exclude only the following charges:

- (a) State, county, local and other applicable taxes,
- (b) License fees, and
- (c) Title fees.

Charges including but not limited to dealer service and handling fees, freight and transportation fees, and preparation fees must be included in the advertised price.

(2) The price of a new motor vehicle, when advertised by a dealer, must be the price that is available to every consumer. Rebates or incentives that are available to all consumers without qualification can be deducted from the price. Limited Rebates or incentives that are only available to select or qualifying consumers shall not be deducted from the advertised price.

(3) Additionally, a qualification may not be used when advertising the sales price of a vehicle such as “with trade”, “with acceptable trade”, or “with down payment”.

(4) Dealers must clearly and prominently identify themselves by their dealership name or their DBA name listed on file with the Commission.

(5) Specific motor vehicles, new or used, or line-make of vehicles advertised for sale or lease shall be in the possession of the dealer as advertised at the address given at the time the advertisement is placed or be available to be shipped to the dealer from the manufacturer or distributor within a reasonable period of time. However, if the time between the placement and the broadcast of the advertisement to the public is excessive, the dealer must have a similar line-make new motor vehicle or an equivalent used motor vehicle to the specific motor vehicle advertised. The vehicles shall be in condition to be demonstrated, and shall be willingly shown and sold or leased at the advertised prices and upon the terms advertised.

(6) Specific claims or discount offers shall only be used in connection with new or demonstrator vehicles.

(7) Specific claims or discount offers must only be used to show the difference between the dealer's current selling price and the Manufacturer's Suggested Retail Price. The dealer shall include dealer add-ons identified in the dealership addendum when advertising the current selling price.

(8) If an advertisement discloses a rebate, cash back, discount savings claim or other incentive, the full price of the vehicle (MSRP) must be conspicuously disclosed or stated in the ad as well as the price of the vehicle after deducting the incentive(s). Rebates cannot be combined as one.

Rule 7 – Off-Premise Sales, Displays and/or Events

5.PARTICIPATION BY QUALIFIED DEALERS:

A. Qualified dealers may be invited to participate in an Off-Premise Sale provided that:

- (1)** The sponsor obtains written approval from the Director,
- (2)** A reciprocity agreement has been executed between the State of Arkansas and the state in which the contiguous county is located and such agreement is on file in the Arkansas Motor Vehicle Commission office, and
- (3)** Qualified dealers must adhere to all requirements of Rule 7 Off-Premise Sales, Displays and Events.

B. Any qualified out-of-state dealer shall submit:

- (1)** An application provided by the Commission office;
- (2)** Meet all requirements of Rule 7, Section 2, Paragraph N;
- (3)** A fee for a temporary permit must be paid:
 - (i)** For an out-of-state motor vehicle dealer, one hundred dollars (\$100);
 - (ii)** For a manufacturer or distributor, two hundred fifty dollars (\$250);and
 - ~~**(iii)** For an out-of-state salesperson, fifteen dollars (\$15.00); and~~
 - ~~**(iv)**~~**(iii)** For a factory representative or distributor representative, fifty dollars (\$50.00).

**ARKANSAS MOTOR VEHICLE
COMMISSION ~~RULE 10~~
EDUCATION AND GRANT TRAINING PROGRAM**

~~A. ORGANIZATION AND ADMINISTRATION~~

- ~~I. The Arkansas Motor Vehicle Commission (hereinafter "Commission") shall administer the Education and Training Grants within the policies set by the Commission. All formal communications shall be addressed to or signed by the Chairman of the Commission.~~
- ~~II. The final responsibility for setting selection criteria and choosing the grantees shall rest with the Commission.~~
- ~~III. The following rules shall govern the Education and Training Grants given to secondary and post-secondary institutions offering motor vehicle education and training.~~

~~B. GRANT ELIGIBILITY CRITERIA~~

~~To be eligible to receive an Education and Training Grant, a secondary or post-secondary Institution must meet the following requirements:~~

- ~~A. The program must be offered by an Arkansas public secondary or post-secondary institution.~~
- ~~B. Only motor vehicle related programs and coalitions of such programs will be approved for grant funding. The list of programs includes but is not limited to the following: Automotive, Collision Repair, Diesel, Alternative Fuels, Damage Analysis and Estimation, Engine Machinist, Parts Specialist, and Tire Center Operator.~~
- ~~C. In determining whether to issue a grant to a qualified public secondary or post-secondary institute, the Commission will consider the following factors:~~
- ~~1) What is the proposal for which they are applying?~~
 - ~~2) Will the proposal attract secondary or post-secondary students to careers in the motor vehicle industry?~~
 - ~~3) Will the proposal give useful training to the students?~~
 - ~~4) Will there be any matching federal/state/local/private funds to further achieve the goals of the grant request?~~
 - ~~5) Will the grant serve as "seed money" or will there be a perceived need for ongoing funding from the Commission in future years?~~
- ~~D. Other factors not listed may be considered based on the Commission's discretion.~~

~~C. APPLICATION PROCESS~~

~~I. Application~~

~~The application form may be obtained from the Commission staff or website. The deadline will be established by the Commission.~~

~~II. Minimum Standards~~

~~Funds for this program are available to qualified motor vehicle education programs only, as determined by the Commission.~~

~~III.—Submission of Applications~~

~~All programs offering motor vehicle training in Arkansas public secondary or post-secondary institutes may apply for grant funding.~~

~~**D.AWARD PROCESS**~~

~~I.—The Commission shall have the discretion to determine which programs will receive the grant funding based on the Commission's objectives to advance training and education in the motor vehicle industry.~~

~~II.—The Commission shall have the discretion to determine which grant applications to fund and to set the specific amount of each grant.~~

~~**E.GRANT PAYMENT POLICIES**~~

~~I.—Education and Training Grants for secondary or post-secondary institutions are not automatically renewable. Programs must apply each year and the Commission has the discretion to determine which grants will be awarded, if any.~~

~~II.—The grant funds shall be used only for the advancement of motor vehicle related training and education. Grant funds shall only be used as set out in the applicants grant request, as approved by the Commission.~~

~~III.—The Commission has the right to review and revisit its determination to distribute grant funds at any time.~~

~~IV.—All grant recipients must agree to provide a complete accounting of all grant funds expended at the request of the Commission.~~

Rule 10

EDUCATION AND TRAINING GRANT FOR SECONDARY AND POST-SECONDARY INSTITUTIONS

SUMMARY:

~~In its Budget Appropriation, Act 258 of 2015, the Legislature gave the Motor Vehicle Commission the authority to award up to one hundred and fifty thousand dollars (\$150,000.00) in grants to secondary and post-secondary institutions in Arkansas. Nationally and in state, the motor vehicle industry is faced with a shortage of available trained technicians. The purpose of this grant is to provide funds to assist institutions that offer education and training, primarily in the field of vehicle service and maintenance, in improving their training programs with the goal of growing the available workforce for the future. This rules sets out the procedures and guidelines for distributing the grants.~~

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 - (i)** For an out-of-state motor vehicle dealer, one hundred dollars (\$100);
 - (ii)** For a manufacturer or distributor, two hundred fifty dollars (\$250); and
 - (iii)** For a factory representative or distributor representative, fifty dollars (\$50.00).

Public Notice (Notice of Rulemaking)

Pursuant to Arkansas Code Annotated § 25-15-201 *et seq.* notice is hereby given that the Department of Labor and Licensing, Arkansas Motor Vehicle Commission is considering changes to its rules. The proposed rule changes include the following subjects: Protect Consumers by guaranteeing advertised product is available for sale; Remove licensing requirement for out of state salesperson; Remove the Commission's rules regarding the Education & Training Grant Program; and style and grammar.

These proposed rule changes will be available for public review at www.arkansas.gov/alcb. Or, they are available at the office of the Department of Labor and Licensing, Arkansas Motor Vehicle Commission at 900 West Capitol Avenue, Suite 400, Little Rock, AR 72201 during regular business hours (8:00 am to 4:30 pm, Monday through Friday) from March 13, 2022, through April 14, 2022. The public comment period ends on April 14, 2022.

Comments may be mailed to the Board's Office at 900 West Capitol Avenue, Suite 400, Little Rock, AR 72201, or emailed to sandy.stroope@arkansas.gov. If you would like to make oral public comments, please call our office at 501-682-1428.