

AGENDA

COMMISSION BUSINESS MEETING

Commission Members

Chairman Joy Blankenship, Pine Bluff;
Commissioners: Foster Davis, Russellville; Jimmy Jones, Fordyce; Duane Neal, Bentonville;
Mitch Ward, Heber Springs/Malvern; Rick Whitten, Gentry; Michael Moix, Faulkner;
Scott Wood, Batesville

Meeting Agenda:

1. **Time:** 9:00 a.m. via Zoom Meeting
2. **Place:** Zoom Link in email attached
3. **Call to Order & Opening Remarks**
4. **Approval of the Minutes for Tuesday November 23, 2021***
5. **Approval of the Meeting Expenditures for the Current Meeting***
6. **Approval of Financials***
7. **Reports/Information Items**
 - A. **Director's Report-Sandy Stroope**
 - i. Monthly License Activity Report
 - ii. Summary of Revenue
 - iii. Investigation Summary
 - iv. Consumer Assistance Report
 - B. **Legal Counsel's Report-Julie Chavis & Sandy Stroope**
 - i. Legal Briefings
 - ii. Ad Hoc Findings/ Approval of Ad Hoc recommendations
8. **Action/Discussion Items**
 - A. **Approved Consent Orders**
 - i. H#20-010 White Hall Motor Sports, LLC
 - ii. H#20-027 Midwest Automotive Designs
 - iii. H#20-028 Regency Conversions, Inc.
 - iv. H#21-027-035 Riggs Cat
 - v. H#21-037 Livingston Homes, LLC (Hot Springs)
 - vi. H#22-001 GFS Outdoor Power Equipment
 - vii. H#22-002 Midwest Equipment Rental & Sales
 - B. **Control Self-Assessment (CSA) Report**
 - C. **FY-20 Legislative Audit**
 - D. **New Investigator**
 - E. **John Carmack Retirement**
 - F. **Memo to Applicant for Education & Training Grant**
 - G. **Statement of Financial Interest Reports**

9. Next Meeting Confirmation/Adjournment

A. March 16, 2022

MINUTES OF THE ARKANSAS MOTOR VEHICLE COMMISSION

**Special Meeting
900 W. Capitol Avenue, Suite 400
Little Rock, Arkansas**

November 23, 2021

The special meeting of the Arkansas Motor Vehicle Commission was called to order via Tele-conference call at 9:00a.m. by Chair Joy Blankenship. Staff present included Sandy Stroope, Rob Galloway, John Carmack, and Daniel Pace. The Commissioners present are Joy Blankenship, Duane Neal, Jock Davis, Jean Campbell, Michael Moix, Jimmy Jones, Rick Whitten, and Mitch Ward.

The Commission approved the meeting expenses for the current meeting following a proper motion and second.

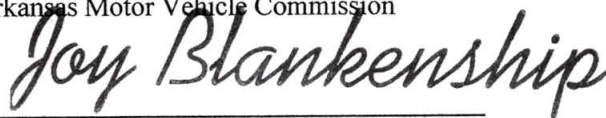
Director Stroope presented Changes to Rule 3, Rescinded Rule 10, and the termination of licensing Franchised salespersons, which were approved with proper motion and second.

Director Stroope introduced Daniel Pace to the Commission as the new AMVC investigator.

Next meeting is scheduled for December 15, 2021.

Chairman Blankenship accepted a proper motion and a second to adjourn the meeting.

These minutes are subject to approval by The
Arkansas Motor Vehicle Commission

A handwritten signature in black ink that reads "Joy Blankenship". The signature is written in a cursive, flowing style. Below the signature is a horizontal line.

Joy Blankenship, Chair

Arkansas Motor Vehicle Commission

2021 Formal Complaints

updated: 2/10/2022

<u>Date/ C#</u>	<u>Contact Information</u>	<u>Complaint Information</u>
1/4/2021 C#21-001	Dr. Marvin Barham 501-212-5926 marvinbarham@gmail.com	DEALER: Crain Ford Little Rock ALLEGATION: Advertising STATUS: Closed: (Campbell) Closure letter mailed 5-28-2021
1/5/2021 C#21-002	Glenn T. Gillihan 913-706-0356 gilly9751@yahoo.com	DEALER: Northwest RV Sales ALLEGATION: Title/Paperwork STATUS: Closed: (Carmack) Closure letter mailed 5-24-2021
1/8/2021 C#21-003	Mina Kamel 615-922-0209 minakamel96@gmail.com	DEALER: Superior Nissan of Conway ALLEGATION: Title/Paperwork STATUS: Closed: (Campbell) Closure letter mailed 5-20-2021
1/18/2021 C#21-004	George D. Hardy 501-622-0326 spaclaims@yahoo.com	DEALER: Mark McLarty Toyota ALLEGATION: Undisclosed Paint Damage STATUS: Closed: 3/2/2021, Closure letter sent 5-17-20021
2/10/2021 C#21-005	Altman Motor Co 870-213-5371 altman@mvtel.net	DEALER/ MFG: FCA US LLC ALLEGATION: Inventory buy-back STATUS: Closed: 3/3/2021, Dismissal letter mailed 3-3-2021
4/8/2021 C#21-006	Amy Ramey 479-283-3479	DEALER/ MFG: Crain Hyundai of Fayetteville and Bentonville ALLEGATION: Advertising STATUS: Closed: (Carmack) Dismissal letter mailed 5-6-2021
4/8/2021 C#21-007	Anonymous	DEALER/ MFG: Sunrise Honda of Rogers ALLEGATION: Advertising #1 Dealer sunrisehondaofrogers.com STATUS: Closed: (Carmack) Dismissal letter mailed 5-6-2021
4/21/2021 C#21-008	Jenna Rogers 501-362-8211 jnnnrgrs@gmail.com	DEALER/ MFG: Hearland Ford ALLEGATION: Contract STATUS: Closed: Closure letter mailed 9/20/2021
4/21/2021 C#21-009	Idris Muhammet 615-423-7713 idris.muhammet@gmail.com	DEALER/ MFG: Crain Ford of Little Rock ALLEGATION: Misrepresented vehicle STATUS: Closed: Closure letter mailed 8/10/2021
5/3/2021 C#21-010	Steven Lewis 501-454-3963	DEALER/ MFG: Honda of Russellville ALLEGATION: Warranty Work STATUS: Closed: (Carmack) Dismissal Letter mailed 7/1/21

Arkansas Motor Vehicle Commission

2021 Formal Complaints

updated: 2/10/2022

<u>Date/ C#</u>	<u>Contact Information</u>	<u>Complaint Information</u>
5/19/2021 C#21-011	Ramsey Motor Co. 870-7433-4343 office@ramseymotorcompany.com	DEALER/ MFG: Hyundai Lease Titling Trust ALLEGATION: Need to Furnish Title STATUS: Closed: Closure letter mailed 10/11/2021
6/24/2021 C#21-012	Debra Glass 479-207-0977	DEALER/MFG: Crain Kia of Fort Smith ALLEGATION: Trade in repairs STATUS: Closed: (Carmack) Closure letter mailed 7/8/2021
6/22/2021 C#21-012	Gloria A. Bunch 501-580-4619 themasterplan0726@gmail.com	DEALER/MFG: Gwatney Buick GMC ALLEGATION: Falsifying documents STATUS: Closed: Closure Letter Mailed 11/18/2021
7/9/2021 C#21-014	James E. Groves 541-961-7733 grovesje@gmail.com	DEALER/MFG: Everett Ford ALLEGATION: Undisclosed Maintance Issues STATUS: Closed: Closure letter email 8/6/2021
7/20/2021 C#21-015	James Higgins 501-847-3244 jthiggins12@msn.com	DEALER/MFG: Steve Landers Toyota ALLEGATION: Misleading Service Coupons STATUS: Closed: Closure letter mailed 8/18/2021
7/28/2021 C#21-016	Cassandra Surber 417-622-9767 mommahcass@gmail.com	DEALER/MFG: Superior GMC Buick Fayetteville ALLEGATION: Misrepresented Warranty STATUS: Closed: Closure letter mailed 8/13/2021
8/3/2021 C#21-17	Benita Clifton 501-679-4560 benitaclifton@windstream.net	DEALER/MFG: FCA/Customer care ALLEGATION: Not honoring warranty Status: Closed: Closure letter mailed 11/1/2021
8/20/2021 C#21-018	Benjamin Peters 479-879-4251	DEALER/MFG: Crain Buick GMC of Springdale ALLEGATION: False Advertising STATUS: Closed: (Carmack) Closure letter mailed 10/29/2021
8/27/2021 C#21-019	Ezekiel Nickels 531-444-8015 enickels21@gmail.com	DEALER/MFG: Greg Orr Toyota ALLEGATION: Undisclosed Damage & Repair STATUS: Closed: Closure letter mailed 9/23/2021

Arkansas Motor Vehicle Commission

2021 Formal Complaints

updated: 2/10/2022

<u>Date/ C#</u>	<u>Contact Information</u>	<u>Complaint Information</u>
9/9/2021 C#21-020	Timothy Miller 870-589-1005 timothy911@icloud.com	DEALER/MFG: Cowboy Chevrolet, buick, GMC ALLEGATION: Failure to honor extended service contract STATUS: Closed: Closure letter mailed 10/29/2021
9/27/2021 C#21-021	Kyle Hankins 214-929-1653 a69vwbeetle@aol.com	DEALER/MFG: Bale Chevrolet ALLEGATION: Undisclosed mechanical problems STATUS: Closed: Closure letter mailed 10/1/2021
10/7/2021 C#21-022	David Jones 501-400-3057	DEALER/MFG: McLarty Nissan-NLR ALLEGATION: Sales tax not paid by dealer STATUS: Closed: Dismissal letter mailed 10/8/2021
10/26/2021 C#21-023	Joyce Allen 501-267-7017 ja@homebase1.us	DEALER/MFG: Orr Nissan of Russellville ALLEGATION: Undisclosed Damage STATUS: Closed: Dismissal letter mailed 11/15/2021
11/1/2021 C#21-024	Brittney Phillips 318-366-7153 brittneephillips@gmail.com	DEALER/MFG: Crain Ford of Little Rock ALLEGATION: Paperwork, Odometer Reading Status: Closed: Closure letter mailed 12/17/2021
11/4/2021 C#21-025	Cedric Crutchfield 501-247-2274 cedriccrutchfield@gmail.com	DEALER/MFG: Crain Hyundai of NLR ALLEGATION: Known damages not disclosed to buyer STATUS: Closed: Dismissal letter mailed 12/29/2021
11/9/2021 C#21-026	AMG England/Heartland Auto 501-932-0232 klynch@heartlandautos.com	DEALER/MFG: Chevrolet Div., General Motors ALLEGATION: Termination STATUS: Open: Letter to GM on 11/10/2021
11/23/2021 C#21-027	Cary Glenn Carlton 501-960-3053 cgcarter@gmail.com	DEALER/MFG: ORR CDJR of Searcy ALLEGATION: Did not refund canceled warranty STATUS: Closed: Dismissal letter sent 1/6/2022
12/6/2021 C#21-028	Danielle Donley 501-297-8468 daniel.donley2@gmail.com	DEALER/MFG: McLarty Mazda Volkswagen ALLEGATION: Sales Tax Check lost in mail STATUS: Open: Dealer Response Letter to Ms. Donley mailed 12/28/2021 (Daniel)
12/14/2021 C#21-029	Dennis Robins 501-605-7620 drileyr@yahoo.com	DEALER/MFG: McLarty Nissan of NLR ALLEGATION: Failure to deliver MSO STATUS: Closed: Closure letter mailed 12/17/2021
12/30/2021 C#21-030	Lyn & Denise Noble 479-226-9437 dlmn1971@outlook.com	DEALER/MFG: Crain Kia-Ft. Smith ALLEGATION: Failure to do warranty STATUS: Open:

License and Financial Report

Monthly Summary of Revenue

Report Date Range: 7/1/2021 through 2/10/2022

Month	Revenue	Records	Trans Cnt
July 2021	\$368,900.00	877	877
August 2021	\$20,102.19	40	40
September 2021	\$9,650.00	23	22
October 2021	\$7,413.00	17	17
November 2021	\$29,950.00	288	288
December 2021	\$24,750.00	250	250
January 2022	\$5,687.50	40	40
February 2022	\$1,700.00	7	7
Totals:	\$468,152.69	1542	1541

Revenue Roll Up

For 7/1/2021 to 2/10/2022

Type	Description	Actual Rev	Records	Certs
CA2021	Cycle/ATV -- Additional Certificate	\$0.00	6	6
CI2021	Cycle ATV - Initial	\$200.00	2	2
CI2022	Cycle ATV - Initial	\$200.00	2	2
CR2022	Cycle/ATV - Renewal	\$17,900.00	181	179
DBR-FY22	Distributor Branch - Renewal	\$7,200.00	8	8
DI-FY22	Distributor -- Initial	\$2,700.00	3	3
DR-FY22	Distributor -- Renewal	\$55,800.00	64	62
EFC2021	Franchise Employee - Certificate Reprint	\$20.00	2	2
EFI2021	Franchise Employee - Initial	\$1,380.00	96	92
EFR2021	Franchise Employee - Renewal	\$540.00	42	36
ERA-FY22	Representative--Additional Certificate	\$0.00	2	2
ERC-FY22	Representative -- Certificate Reprint	\$10.00	1	1
ERI-FY22	Representative -- Initial	\$36,400.00	93	91
ERR-FY22	Representative -- Renewal	\$206,400.00	526	516
FA2022	Franchise Motor Vehicle Dealer - Adtl. Cer	\$0.00	2	2
FBR2022	Franchise Motor Vehicle Dealer Br. - Renew	\$175.00	11	7
FI2021	Franchise Motor Vehicle Dealer - Initial	\$400.00	4	4
FI2022	Franchise Motor Vehicle Dealer - Initial	\$1,100.00	13	11
FR2022	Franchise Motor Vehicle Dealer - Renewal	\$28,200.00	282	282
LBR2022	Lessor Branch -- Renewal	\$2,750.00	57	55
LI2021	Lessor (Primary) - Initial	\$200.00	2	2
LI2022	Lessor (Primary) - Initial	\$200.00	2	2
LR2022	Lessor (Primary) -- Renewal	\$1,100.00	11	11
MBI-FY22	Manufacturer Branch -- Initial	\$900.00	1	1
MBR-FY22	Manufacturer Branch - Renewal	\$7,200.00	8	8
MI-FY22	Manufacturer -- Initial	\$10,800.00	12	12
MR-FY22	Manufacturer -- Renewal	\$82,800.00	92	92

Type	Description	Actual Rev	Records	Certs
MSC2021	Miscellaneous	\$2.19	1	1
PEN2021	Penalty	\$3,213.00	11	11
PEN2022	Penalty	\$62.50	2	2
SEP2022	Special Event Permit	\$200.00	2	2
SVR2022	Specialty Vehicle Dealer - Renewal	\$100.00	1	1
Total:		<u>\$468,152.69</u>	<u>1,542</u>	<u>1,508</u>

December 2021 ACTIVITY REPORT

DEALER LINE(S) ADDED/TERMINATED:

NEW DEALER LICENSE(S)

Bruno's Powersports---(C1295)

Kiko's Kountry---Bryant---(F1489)

Honda Powersports of Ft. Smith---(C1296)

LR Jaguar Land Rover Volkswagen---(F1297)

*BV Powersports

*Cruiser *Forest River *Keystone RV's

*Honda, BRP & Vanderhall: MC's, ATV's & UTV's

*Purchased Owens Murphy---(F027)

NEW MANUFACTURER / DISTRIBUTOR / BRANCH LICENSE(S):

LiveWire EV---(10343M)

*LiveWire: Electric Motorcycles

2nd STAGE MANUFACTURER / CONVERTER LICENSE(S):

NEW LESSOR(S):

DISCONTINUED LICENSE(S) DEALER(S)

DISCONTINUED LICENSE(S) MFG/DIST

DISCONTINUED LICENSE(S) LESSOR

Revoked Licenses

Misc:

January 2022 ACTIVITY REPORT

DEALER LINE(S) ADDED/TERMINATED:

NEW DEALER LICENSE(S)

Northstar, LLC---Southside---(F1298)
Moix RV-McGaugh Outpost---Springdale---(F1491)
Moix RV-Toad Suck Station---Conway---(F1492)

*Volvo: Commercial Trucks
*Jayco: RV's---Purchased McGaugh RV---
*Forest River & Starcraft: RV's

NEW MANUFACTURER / DISTRIBUTOR / BRANCH LICENSE(S):

2nd STAGE MANUFACTURER / CONVERTER LICENSE(S):

NEW LESSOR(S):

DISCONTINUED LICENSE(S) DEALER(S)

Honda Powersports---(C667)
Great Escapes RV Supercenter---Gassville---(F1467)
Creative Bus Sales---Springdale---(F1144)
Nationwide Trailer, LLC---Cabot---(F1179)
Mark Martin Chevrolet---Melbourne---(F088)
P & P Trailer Sales---Atkins---(F1474)
Steve's Outdoor Sports---Magnolia---(C587)
Orr Too---Russellville---(FB1090-1)

*Honda: ATV's, UTV's & MC's
*Forest River: RV's
*Relocated to Benton County (Rogers)
*Relocated to Pulaski County
*Chevrolet, Cold to Meadows Chevy
*Lakota: RV's *Sundowner: RV's *SMC: RV's
*Honda: ATV's, UTV's & MC's
*Pre-Owned Autos---Relocated to Yell County

DISCONTINUED LICENSE(S) MFG/DIST

DISCONTINUED LICENSE(S) LESSOR

Revoked Licenses

Misc:

February 2022 ACTIVITY REPORT

DEALER LINE(S) ADDED/TERMINATED:

National Trailer Source---(F1488)

*Added Shadow Horse Trailers

NEW DEALER LICENSE(S)

NEW MANUFACTURER / DISTRIBUTOR / BRANCH LICENSE(S):

Shadow Trailer---(10346MB)

*Horse Trailers

2nd STAGE MANUFACTURER / CONVERTER LICENSE(S):

NEW LESSOR(S):

DISCONTINUED LICENSE(S) DEALER(S)

DISCONTINUED LICENSE(S) MFG/DIST

DISCONTINUED LICENSE(S) LESSOR

Revoked Licenses

Misc:

BEFORE THE ARKANSAS MOTOR VEHICLE COMMISSION

IN THE MATTER OF:

H# 20-010

WHITE HALL MOTOR SPORTS, LLC

CONSENT ORDER

The Arkansas Motor Vehicle Commission (hereinafter "Commission"), and White Hall Motorsports, LLC, a licensed new Cycle/ATV dealer acknowledges the existence of a controversy regarding White Hall Motorsports, LLC compliance with the Arkansas Motor Vehicle Commission Act, Ark. Code Ann. § 23-112-101 to -1023, and it now appears that White Hall Motorsports, LLC is willing to enter into a Consent Order to resolve the pending controversy;

Whereas, White Hall Motorsports, LLC hereby represents and agrees:

1. White Hall Motorsports, LLC, having read the proposed Consent Order, acknowledges its right to consult with counsel and enters into this Consent Order on White Hall Motorsports, LLC own volition and without any reliance upon any representations by the Commission or any officer, employee, agent or other representative thereof, other than as expressly set forth herein.

2. White Hall Motorsports, LLC hereby waives any further procedural steps including, without limitation, White Hall Motorsports, LLC right to a hearing and all rights to seek judicial review or to otherwise challenge or contest the validity of this Consent Order.

3. White Hall Motorsports, LLC executes this Consent Order to resolve the pending matter without further administrative action White Hall Motorsports, LLC agrees that the Commission will review and determine whether to approve this Consent Order. Furthermore, White Hall Motorsports, LLC agrees that should this Consent Order not be approved by the

Commission, the presentation to and consideration of this Consent Order by the Commission shall not unfairly or illegally prejudice the Commission or any of its members from further participation, consideration, or resolution of the matters involved herein at any subsequent hearing.

4. White Hall Motorsports, LLC understands and agrees that approval and entry of this Consent Order shall not preclude additional proceedings by the Commission against White Hall Motorsports, LLC for acts or omissions not specifically addressed herein.

5. White Hall Motorsports, LLC understands and acknowledges that this Consent Order and the Commission's records concerning this matter are public records and available to the public pursuant to the Freedom of Information Act, Ark. Code Ann. § 25-19-101, *et seq.*

6. This agreement shall not become a valid and enforceable order of this Commission unless and until accepted and approved by the Commission at an official meeting and executed by the Chair of the Commission or her designee.

FINDINGS OF FACT

The following facts are found to be true:

- F1. White Hall Motorsports, LLC, located at 7003 Dollarway Rd., White Hall, AR, is a new cycle dealer currently licensed to sell Honda: MC's, Scooters, UV's, & ATV's.
- F2. White Hall Motorsports, LLC license expired on December 31, 2019.
- F3. White Hall Motorsports, LLC voluntarily requests the termination of its license with the Motor Vehicle Commission.

APPLICABLE LAW

- L1. Cycle/ATV dealers and their representatives are required to conform their conduct to the Motor Vehicle Commission Act, Ark. Code Ann. § 23-112-101, et seq., and the rules and regulations promulgated by the Commission pursuant to Ark. Code Ann. § 23-112-204.
- L2. According to Ark. Code Ann. § 23-112-301, it is unlawful for a person to engage in business as a new Cycle/ATV dealer without obtaining a license.
- L3. All applications for licenses shall be accompanied by the appropriate fees in accordance with the schedule set out in Ark. Code Ann. § 23-112-303.
- L4. According to Ark. Code Ann. § 23-112-307(2), dealers, salespersons, and lessors, licenses expire on December 31, 2019, following the date of issue.
- L5. Failure to comply with any provision of the Commission Act or any Rule promulgated by the Commission may lead to revocation or suspension of the license as per Ark. Code Ann. § 23-112-308(a) (4), 23-112-308(a) (5), and 23-112-308(a) (19).
- L6. According the Ark. Code Ann. § 23-112-403(a)(2)(K), a manufacturer, distributor, or representative shall comply with all provisions regarding paying each dealer for their respective interest in inventory, parts, signage, special tools, and warranty and recall work.

CONCLUSIONS OF LAW & ORDER

By not maintaining the qualifications for a license as per Ark. Code Ann. § 23-112-308 and voluntarily terminating its license White Hall Motorsports, LLC dealer license is terminated and White Hall Motorsports, LLC must comply with all provisions of Ark. Code Ann. § 23-112-403(a)(2)(K).

IT IS SO ORDERED.

AGREED this 21st day of October, 2021.

Approved:

By: _____

Date: 11 | 01 | 2021_____

ARKANSAS MOTOR VEHICLE COMMISSION

By: _____
Joy Blankenship, Chair

Date: 11 | 1 | 2021_____

BEFORE THE ARKANSAS MOTOR VEHICLE COMMISSION

IN THE MATTER OF:

H# 20-027

MIDWEST AUTOMOTIVE DESIGNS

CONSENT ORDER

The Arkansas Motor Vehicle Commission (hereinafter "Commission"), and Midwest Automotive Designs, a licensed new recreational vehicle manufacturer/distributor acknowledges the existence of a controversy regarding Midwest Automotive Designs compliance with the Arkansas Motor Vehicle Commission Act, Ark. Code Ann. § 23-112-101 to -1023, and it now appears that Midwest Automotive Designs is willing to enter into a Consent Order to resolve the pending controversy;

Whereas, Midwest Automotive Designs hereby represents and agrees:

1. Midwest Automotive Designs, having read the proposed Consent Order, acknowledges its right to consult with counsel and enters into this Consent Order on Midwest Automotive Designs own volition and without any reliance upon any representations by the Commission or any officer, employee, agent or other representative thereof, other than as expressly set forth herein.
2. Midwest Automotive Designs hereby waives any further procedural steps including, without limitation, Midwest Automotive Designs right to a hearing and all rights to seek judicial review or to otherwise challenge or contest the validity of this Consent Order.
3. Midwest Automotive Designs executes this Consent Order to resolve the pending matter without further administrative action. Midwest Automotive Designs agrees that the Commission will review and determine whether to approve this Consent Order. Furthermore, Midwest Automotive Designs agrees that should this Consent Order not be approved by the

Commission, the presentation to and consideration of this Consent Order by the Commission shall not unfairly or illegally prejudice the Commission or any of its members from further participation, consideration, or resolution of the matters involved herein at any subsequent hearing.

4. Midwest Automotive Designs' understands and agrees that approval and entry of this Consent Order shall not preclude additional proceedings by the Commission against Midwest Automotive Designs for acts or omissions not specifically addressed herein.

5. Midwest Automotive Designs' understands and acknowledges that this Consent Order and the Commission's records concerning this matter are public records and available to the public pursuant to the Freedom of Information Act, Ark. Code Ann. § 25-19-101, *et seq.*

6. This agreement shall not become a valid and enforceable order of this Commission unless and until accepted and approved by the Commission at an official meeting and executed by the Chair of the Commission or her designee.

FINDINGS OF FACT

The following facts are found to be true:

- F1. Midwest Automotive Designs, located at 1826 Leer Dr., Elkhart, IN, is a new recreational vehicle manufacturer currently licensed to sell *Daycruiser: RV's; *Irok: RV's *Legend: RV's; *Passage: RV's; *Patriot: RV's; *Patriot Cruiser: RV's; *Weekender: RV's.
- F2. Midwest Automotive Designs license expired on June 30, 2020.
- F3. Midwest Automotive Designs currently has no dealers in Arkansas.
- F4. Midwest Automotive Designs voluntarily requests the termination of its license with the Arkansas Motor Vehicle Commission.

APPLICABLE LAW

- L1. Motor vehicle manufacturers and their representatives are required to conform their conduct to the Motor Vehicle Commission Act, Ark. Code Ann. § 23-112-101, et seq., and the rules and regulations promulgated by the Commission pursuant to Ark. Code Ann. § 23-112-204.
- L2. According to Ark. Code Ann. § 23-112-301, it is unlawful for a person to engage in business as a new motor vehicle manufacturer without obtaining a license.
- L3. All applications for licenses shall be accompanied by the appropriate fees in accordance with the schedule set out in Ark. Code Ann. § 23-112-303.
- L4. According to Ark. Code Ann. § 23-112-307(1), manufacturers and representatives, licenses expire on June 30, 2020, following the date of issue.
- L5. Failure to comply with any provision of the Commission Act or any Rule promulgated by the Commission may lead to revocation or suspension of the license as per Ark. Code Ann. § 23-112-308(a)(4), 23-112-308(a)(5), and 23-112-308(a)(19).
- L6. According to the Ark. Code Ann. § 23-112-403(a)(2)(K), a manufacturer shall comply with all provisions regarding paying each dealer for their respective interest in inventory, parts, signage, special tools, and warranty and recall work.

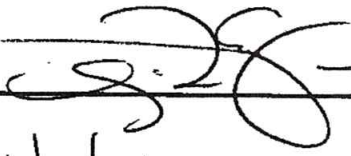
CONCLUSIONS OF LAW & ORDER

By not maintaining the qualifications for a license as per Ark. Code Ann. § 23-112-308 and voluntarily terminating its license Midwest Automotive Designs manufacturer license is terminated and Midwest Automotive Designs must comply with all provisions of Ark. Code Ann. § 23-112-403(a)(2)(K).

IT IS SO ORDERED.

AGREED this 17th day of November, 2021.

Approved:

By:  Timothy R. GRAY
Date: 11/18/21

ARKANSAS MOTOR VEHICLE COMMISSION

By: 
Joy Blankenship, Chair

Date: 11/18/21

BEFORE THE ARKANSAS MOTOR VEHICLE COMMISSION

**IN THE MATTER OF:
RIGGS CAT**

CONSENT ORDER

The Arkansas Motor Vehicle Commission (hereinafter "Commission"), and Riggs Cat, a licensed motor vehicle dealer acknowledges the existence of a controversy regarding Riggs Cat compliance with the Arkansas Motor Vehicle Commission Act, Ark. Code Ann. § 23-112-101 to -1023, and it now appears that Riggs Cat is willing to enter into a Consent Order to resolve the pending controversy;

Whereas, Riggs Cat hereby represents and agrees:

1. Riggs Cat having read the proposed Consent Order, acknowledges its right to consult with counsel and enters into this Consent Order on Riggs Cat own volition and without any reliance upon any representations by the Commission or any officer, employee, agent or other representative thereof, other than as expressly set forth herein.
2. Riggs Cat hereby waives any further procedural steps including, without limitation, Riggs Cat right to a hearing and all rights to seek judicial review or to otherwise challenge or contest the validity of this Consent Order.
3. Riggs Cat executes this Consent Order to resolve the pending matter without further administrative action Riggs Cat agrees that the Commission will review and determine whether to approve this Consent Order. Furthermore, Riggs Cat agrees that should this Consent Order not be approved by the Commission, the presentation to and consideration of this Consent Order by the Commission shall not unfairly or illegally prejudice the Commission or any of its

members from further participation, consideration, or resolution of the matters involved herein at any subsequent hearing.

4. Riggs Cat understands and agrees that approval and entry of this Consent Order shall not preclude additional proceedings by the Commission against Riggs Cat for acts or omissions not specifically addressed herein.

5. Riggs Cat understands and acknowledges that this Consent Order and the Commission's records concerning this matter are public records and available to the public pursuant to the Freedom of Information Act, Ark. Code Ann. § 25-19-101, *et seq.*

6. This agreement shall not become a valid and enforceable order of this Commission unless and until accepted and approved by the Commission at an official meeting and executed by the Chair of the Commission or her designee.

FINDINGS OF FACT

The following facts are found to be true:

- F1. Riggs Cat, has locations at (H#21-027) 3701 East Parker, Jonesboro; (H#21-028) 4117 Wagon Wheel Road, Springdale; (H#21-029) 370 Lakefront Drive, Russellville; (H#21-030) 5475 Hwy 65 South, Harrison; (H#21-031) 2001 West Hillsboro, El Dorado; (H#21-032) 2400 Trinity Blvd., Texarkana; (H#21-033) 6601 South Zero Street, Fort Smith; (H#21-034) 20453 Interstate 30, Benton; (H#21-035) 9125 Interstate 30, Little Rock, are all located in Arkansas, and are New Cycle dealers currently licensed in Arkansas to sell ATV's, MC's & UTV's.
- F2. Riggs Cat licenses will expire on December 31, 2021.
- F3. Riggs Cat voluntarily requests the termination of its license with the Motor Vehicle Commission.

APPLICABLE LAW

- L1. Motor Vehicle dealer and their representatives are required to conform their conduct to the Motor Vehicle Commission Act, Ark. Code Ann. § 23-112-101, et seq., and the rules and regulations promulgated by the Commission pursuant to Ark. Code Ann. § 23-112-204.
- L2. According to Ark. Code Ann. § 23-112-301, it is unlawful for a person to engage in business as a new motor vehicle dealer without obtaining a license.
- L3. All applications for licenses shall be accompanied by the appropriate fees in accordance with the schedule set out in Ark. Code Ann. § 23-112-303.
- L4. According to Ark. Code Ann. § 23-112-307(1), dealers, salespersons, and lessors, licenses expire on December 31, 2020, following the date of issue.
- L5. Failure to comply with any provision of the Commission Act or any Rule promulgated by the Commission may lead to revocation or suspension of the license as per Ark. Code Ann. § 23-112-308(a)(4), 23-112-308(a)(5), and 23-112-308(a)(19).
- L6. According the Ark. Code Ann. § 23-112-403(a)(2)(K), a manufacturer, distributor, or representative shall comply with all provisions regarding paying each dealer for their respective interest in inventory, parts, signage, special tools, and warranty and recall work.


CONCLUSIONS OF LAW & ORDER


By not maintaining the qualifications for a license as per Ark. Code Ann. § 23-112-308 and voluntarily terminating its license Riggs Cat dealer license is terminated and Riggs Cat must comply with all provisions of Ark. Code Ann. § 23-112-403(a)(2)(K).

IT IS SO ORDERED.

AGREED this 9th day of November 2021.

Approved:

By:  _____
Date: 11/9/21 _____

ARKANSAS MOTOR VEHICLE COMMISSION
By:  _____
Joy Blankenship, Chair
Date: 11/9/2022 _____

BEFORE THE ARKANSAS MOTOR VEHICLE COMMISSION

IN THE MATTER OF:

H# 20-028

REGENCY CONVERSIONS, INC.

CONSENT ORDER

The Arkansas Motor Vehicle Commission (hereinafter "Commission"), and Regency Conversions, Inc., a licensed new recreational vehicle manufacturer/distributor acknowledges the existence of a controversy regarding Regency Conversions, Inc. compliance with the Arkansas Motor Vehicle Commission Act, Ark. Code Ann. § 23-112-101 to -1023, and it now appears that Regency Conversions, Inc. is willing to enter into a Consent Order to resolve the pending controversy;

Whereas, Regency Conversions, Inc. hereby represents and agrees:

1. Regency Conversions, Inc., having read the proposed Consent Order, acknowledges its right to consult with counsel and enters into this Consent Order on Regency Conversions, Inc. own volition and without any reliance upon any representations by the Commission or any officer, employee, agent or other representative thereof, other than as expressly set forth herein.
2. Regency Conversions, Inc. hereby waives any further procedural steps including, without limitation, Regency Conversions, Inc. right to a hearing and all rights to seek judicial review or to otherwise challenge or contest the validity of this Consent Order.
3. Regency Conversions, Inc. executes this Consent Order to resolve the pending matter without further administrative action. Regency Conversions, Inc. agrees that the Commission will review and determine whether to approve this Consent Order. Furthermore, Regency Conversions, Inc. agrees that should this Consent Order not be approved by the

Commission, the presentation to and consideration of this Consent Order by the Commission shall not unfairly or illegally prejudice the Commission or any of its members from further participation, consideration, or resolution of the matters involved herein at any subsequent hearing.

4. Regency Conversions, Inc. understands and agrees that approval and entry of this Consent Order shall not preclude additional proceedings by the Commission against Regency Conversions, Inc. for acts or omissions not specifically addressed herein.

5. Regency Conversions, Inc. understands and acknowledges that this Consent Order and the Commission's records concerning this matter are public records and available to the public pursuant to the Freedom of Information Act, Ark. Code Ann. § 25-19-101, *et seq.*

6. This agreement shall not become a valid and enforceable order of this Commission unless and until accepted and approved by the Commission at an official meeting and executed by the Chair of the Commission or her designee.

FINDINGS OF FACT

The following facts are found to be true:

- F1. Regency Conversions, Inc., located at 4709 Lone Star Blvd., Fort Worth, TX, is a new recreational vehicle manufacturer currently licensed to sell Regency: Ultra Brougham, National Traveler & Xalta RV's.
- F2. Regency Conversions, Inc. license expired on June 30, 2020.
- F3. Regency Conversions, Inc. currently has no dealers in Arkansas.
- F4. Regency Conversions, Inc. voluntarily requests the termination of its license with the Arkansas Motor Vehicle Commission.

APPLICABLE LAW

- L1. Motor vehicle manufacturers and their representatives are required to conform their conduct to the Motor Vehicle Commission Act, Ark. Code Ann. § 23-112-101, et seq., and the rules and regulations promulgated by the Commission pursuant to Ark. Code Ann. § 23-112-204.
- L2. According to Ark. Code Ann. § 23-112-1004, it is unlawful for a person to engage in business as a new motor vehicle manufacturer without obtaining a license.
- L3. All applications for licenses shall be accompanied by the appropriate fees in accordance with the schedule set out in Ark. Code Ann. § 23-112-1004.
- L4. According to Ark. Code Ann. § 23-112-1009(1), manufacturers and representatives, licenses expire on June 30, 2020, following the date of issue.
- L5. Failure to comply with any provision of the Commission Act or any Rule promulgated by the Commission may lead to revocation or suspension of the license as per Ark. Code Ann. § 23-112-1019(a)(4), 23-112-308(a)(5), and 23-112-1019(a)(5).
- L6. According to the Ark. Code Ann. § 23-112-1019(a)(5)(K), a manufacturer shall comply with all provisions regarding paying each dealer for their respective interest in inventory, parts, signage, special tools, and warranty and recall work.

CONCLUSIONS OF LAW & ORDER

By not maintaining the qualifications for a license as per Ark. Code Ann. § 23-112-308 and voluntarily terminating its license Regency Conversions, Inc. manufacturer license is terminated and Regency Conversions, Inc. must comply with all provisions of Ark. Code Ann. § 23-112-403(a)(2)(K).

IT IS SO ORDERED.

AGREED this 18th day of October, 2021.

Approved:

By: ABM

Date: 10-22-21

ARKANSAS MOTOR VEHICLE COMMISSION

By: Joy Blankenship
Joy Blankenship, Chair

Date: 10/22/2021

BEFORE THE ARKANSAS MOTOR VEHICLE COMMISSION

IN THE MATTER OF:

H# 21-037

LIVINGSTON HOMES & CAMPER SALES

CONSENT ORDER

The Arkansas Motor Vehicle Commission (hereinafter "Commission"), and Livingston Homes & Camper Sales, a licensed new Recreational Vehicle (RV) dealer acknowledges the existence of a controversy regarding Livingston Homes & Camper Sales compliance with the Arkansas Motor Vehicle Commission Act, Ark. Code Ann. § 23-112-101 to -1023, and it now appears that Livingston Homes & Camper Sales is willing to enter into a Consent Order to resolve the pending controversy;

Whereas, Livingston Homes & Camper Sales hereby represents and agrees:

1. Livingston Homes & Camper Sales, having read the proposed Consent Order, acknowledges its right to consult with counsel and enters into this Consent Order on Livingston Homes & Camper Sales own volition and without any reliance upon any representations by the Commission or any officer, employee, agent or other representative thereof, other than as expressly set forth herein.
 2. Livingston Homes & Camper Sales hereby waives any further procedural steps including, without limitation, Livingston Homes & Camper Sales right to a hearing and all rights to seek judicial review or to otherwise challenge or contest the validity of this Consent Order.
 3. Livingston Homes & Camper Sales executes this Consent Order to resolve the pending matter without further administrative action Livingston Homes & Camper Sales agrees that the Commission will review and determine whether to approve this Consent Order.
- Furthermore, Livingston Homes & Camper Sales agrees that should this Consent Order not be

approved by the Commission, the presentation to and consideration of this Consent Order by the Commission shall not unfairly or illegally prejudice the Commission or any of its members from further participation, consideration, or resolution of the matters involved herein at any subsequent hearing.

4. Livingston Homes & Camper Sales, understands and agrees that approval and entry of this Consent Order shall not preclude additional proceedings by the Commission against Livingston Homes & Camper Sales for acts or omissions not specifically addressed herein.

5. Livingston Homes & Camper Sales, understands and acknowledges that this Consent Order and the Commission's records concerning this matter are public records and available to the public pursuant to the Freedom of Information Act, Ark. Code Ann. § 25-19-101, *et seq.*

6. This agreement shall not become a valid and enforceable order of this Commission unless and until accepted and approved by the Commission at an official meeting and executed by the Chair of the Commission or her designee.

FINDINGS OF FACT

The following facts are found to be true:

- F1. Livingston Homes & Camper Sales, located at 999 Airport Road, Hot Springs, AR 71913, is a new RV dealer currently licensed to sell Forest River & Keystone: RV's.
- F2. Livingston Homes & Camper Sales license will expire on December 31, 2021.
- F3. Livingston Homes & Camper Sales, voluntarily requests the termination of its license with the Motor Vehicle Commission.

APPLICABLE LAW

- L1. RV dealers and their representatives are required to conform their conduct to the Motor Vehicle Commission Act, Ark. Code Ann. § 23-112-101, et seq., and the rules and regulations promulgated by the Commission pursuant to Ark. Code Ann. § 23-112-204.
- L2. According to Ark. Code Ann. § 23-112-1004, it is unlawful for a person to engage in business as a new RV dealer without obtaining a license.
- L3. All applications for licenses shall be accompanied by the appropriate fees in accordance with the schedule set out in Ark. Code Ann. § 23-112-1004.
- L4. According to Ark. Code Ann. § 23-112-1009(2), dealers, salespersons, and lessors, licenses expire on December 31, 2019, following the date of issue.
- L5. Failure to comply with any provision of the Commission Act or any Rule promulgated by the Commission may lead to revocation or suspension of the license as per Ark. Code Ann. § 23-112-1012.
- L6. According to the Ark. Code Ann. § 23-112-1013, a manufacturer, distributor, or representative shall comply with all provisions regarding paying each dealer for their respective interest in inventory, parts, signage, special tools, and warranty and recall work.

CONCLUSIONS OF LAW & ORDER

By not maintaining the qualifications for a license as per Ark. Code Ann. § 23-112-1019 and voluntarily terminating its license Livingston Homes & Camper Sales dealer license is terminated.

IT IS SO ORDERED.

AGREED this 28th day of December, 2021.

Approved:

By: *Brenda King*

Date: 12-28-2021

ARKANSAS MOTOR VEHICLE COMMISSION

By: *Joy Blankenship*
Joy Blankenship, Chair

Date: 1/4/2022

BEFORE THE ARKANSAS MOTOR VEHICLE COMMISSION

IN THE MATTER OF:

H# 22-001

GFS OUTDOOR POWER EQUIPMENT

CONSENT ORDER

The Arkansas Motor Vehicle Commission (hereinafter "Commission"), and GFS Outdoor Power Equipment, a licensed new Cycle/ATV dealer acknowledges the existence of a controversy regarding GFS Outdoor Power Equipment compliance with the Arkansas Motor Vehicle Commission Act, Ark. Code Ann. § 23-112-101 to -1023, and it now appears that GFS Outdoor Power Equipment is willing to enter into a Consent Order to resolve the pending controversy;

Whereas GFS Outdoor Power Equipment hereby represents and agrees:

1. GFS Outdoor Power Equipment, having read the proposed Consent Order, acknowledges its right to consult with counsel and enters into this Consent Order on GFS Outdoor Power Equipment own volition and without any reliance upon any representations by the Commission or any officer, employee, agent or other representative thereof, other than as expressly set forth herein.
 2. GFS Outdoor Power Equipment hereby waives any further procedural steps including, without limitation, GFS Outdoor Power Equipment right to a hearing and all rights to seek judicial review or to otherwise challenge or contest the validity of this Consent Order.
 3. GFS Outdoor Power Equipment executes this Consent Order to resolve the pending matter without further administrative action GFS Outdoor Power Equipment agrees that the Commission will review and determine whether to approve this Consent Order.
- Furthermore, GFS Outdoor Power Equipment that should this Consent Order not be approved by

the Commission, the presentation to and consideration of this Consent Order by the Commission shall not unfairly or illegally prejudice the Commission or any of its members from further participation, consideration, or resolution of the matters involved herein at any subsequent hearing.

4. GFS Outdoor Power Equipment understands and agrees that approval and entry of this Consent Order shall not preclude additional proceedings by the Commission against GFS Outdoor Power Equipment for acts or omissions not specifically addressed herein.

5. GFS Outdoor Power Equipment understands and acknowledges that this Consent Order and the Commission's records concerning this matter are public records and available to the public pursuant to the Freedom of Information Act, Ark. Code Ann. § 25-19-101, *et seq.*

6. This agreement shall not become a valid and enforceable order of this Commission unless and until accepted and approved by the Commission at an official meeting and executed by the Chair of the Commission or her designee.

FINDINGS OF FACT

The following facts are found to be true:

- F1. GFS Outdoor Power Equipment, located at 6123 Hwy 126 North, Gassville, AR, 72635 is a new cycle dealer currently licensed to sell Cub Cadet: UV's.
- F2. GFS Outdoor Power Equipment, license expired on December 31, 2021.
- F3. GFS Outdoor Power Equipment voluntarily requests the termination of its license with the Motor Vehicle Commission.

APPLICABLE LAW

- L1. Cycle/ATV dealers and their representatives are required to conform their conduct to the Motor Vehicle Commission Act, Ark. Code Ann. § 23-112-101, et seq., and the rules and regulations promulgated by the Commission pursuant to Ark. Code Ann. § 23-112-204.
- L2. According to Ark. Code Ann. § 23-112-301, it is unlawful for a person to engage in business as a new Cycle/ATV vehicle dealer without obtaining a license.
- L3. All applications for licenses shall be accompanied by the appropriate fees in accordance with the schedule set out in Ark. Code Ann. § 23-112-303.
- L4. According to Ark. Code Ann. § 23-112-307(1), dealers, salespersons, and lessors, licenses expire on December 31, 2020, following the date of issue.
- L5. Failure to comply with any provision of the Commission Act or any Rule promulgated by the Commission may lead to revocation or suspension of the license as per Ark. Code Ann. § 23-112-308(a)(4), 23-112-308(a)(5), and 23-112-308(a)(19).
- L6. According to the Ark. Code Ann. § 23-112-403(a)(2)(K), a manufacturer, distributor, or representative shall comply with all provisions regarding paying each dealer for their respective interest in inventory, parts, signage, special tools, and warranty and recall work.

CONCLUSIONS OF LAW & ORDER

By not maintaining the qualifications for a license as per Ark. Code Ann. § 23-112-308 and voluntarily terminating its license GFS Outdoor Power Equipment dealer license is terminated and GFS Outdoor Power Equipment must comply with all provisions of Ark. Code Ann. § 23-112-403(a)(2)(K).

Approved:

By: Wayne E. Hagg

Date: 1-7-21

ARKANSAS MOTOR VEHICLE COMMISSION

By: Joy Blankenship
Joy Blankenship, Chair

Date: 1/7/2022

BEFORE THE ARKANSAS MOTOR VEHICLE COMMISSION

IN THE MATTER OF:

H# 22-002

MIDWEST EQUIPMENT RENTAL & SALES

CONSENT ORDER

The Arkansas Motor Vehicle Commission (hereinafter "Commission"), and Midwest Equipment Rental & Sales, a licensed new Cycle/ATV dealer acknowledges the existence of a controversy regarding Midwest Equipment Rental & Sales compliance with the Arkansas Motor Vehicle Commission Act, Ark. Code Ann. § 23-112-101 to -1023, and it now appears that Midwest Equipment Rental & Sales is willing to enter into a Consent Order to resolve the pending controversy;

Whereas Midwest Equipment Rental & Sales hereby represents and agrees:

1. Midwest Equipment Rental & Sales, having read the proposed Consent Order, acknowledges its right to consult with counsel and enters into this Consent Order on Midwest Equipment Rental & Sales own volition and without any reliance upon any representations by the Commission or any officer, employee, agent or other representative thereof, other than as expressly set forth herein.
2. Midwest Equipment Rental & Sales hereby waives any further procedural steps including, without limitation, Midwest Equipment Rental & Sales right to a hearing and all rights to seek judicial review or to otherwise challenge or contest the validity of this Consent Order.
3. Midwest Equipment Rental & Sales executes this Consent Order to resolve the pending matter without further administrative action Midwest Equipment Rental & Sales agrees that the Commission will review and determine whether to approve this Consent Order. Furthermore, Midwest Equipment Rental & Sales that should this Consent Order not be

approved by the Commission, the presentation to and consideration of this Consent Order by the Commission shall not unfairly or illegally prejudice the Commission or any of its members from further participation, consideration, or resolution of the matters involved herein at any subsequent hearing.

4. Midwest Equipment Rental & Sales understands and agrees that approval and entry of this Consent Order shall not preclude additional proceedings by the Commission against Midwest Equipment Rental & Sales for acts or omissions not specifically addressed herein.

5. Midwest Equipment Rental & Sales understands and acknowledges that this Consent Order and the Commission's records concerning this matter are public records and available to the public pursuant to the Freedom of Information Act, Ark. Code Ann. § 25-19-101, *et seq.*

6. This agreement shall not become a valid and enforceable order of this Commission unless and until accepted and approved by the Commission at an official meeting and executed by the Chair of the Commission or her designee.

FINDINGS OF FACT

The following facts are found to be true:

- F1. Midwest Equipment Rental & Sales, located at 1000 W. Main Street, Green Forest, AR, 72638 is a new cycle dealer currently licensed to sell Intimidator: UTV's.
- F2. Midwest Equipment Rental & Sales, license expired on December 31, 2021.
- F3. Midwest Equipment Rental & Sales voluntarily requests the termination of its license with the Motor Vehicle Commission.

APPLICABLE LAW

- L1. Cycle/ATV dealers and their representatives are required to conform their conduct to the Motor Vehicle Commission Act, Ark. Code Ann. § 23-112-101, et seq., and the rules and regulations promulgated by the Commission pursuant to Ark. Code Ann. § 23-112-204.
- L2. According to Ark. Code Ann. § 23-112-301, it is unlawful for a person to engage in business as a new Cycle/ATV vehicle dealer without obtaining a license.
- L3. All applications for licenses shall be accompanied by the appropriate fees in accordance with the schedule set out in Ark. Code Ann. § 23-112-303.
- L4. According to Ark. Code Ann. § 23-112-307(1), dealers, salespersons, and lessors, licenses expire on December 31, 2020, following the date of issue.
- L5. Failure to comply with any provision of the Commission Act or any Rule promulgated by the Commission may lead to revocation or suspension of the license as per Ark. Code Ann. § 23-112-308(a)(4), 23-112-308(a)(5), and 23-112-308(a)(19).
- L6. According to the Ark. Code Ann. § 23-112-403(a)(2)(K), a manufacturer, distributor, or representative shall comply with all provisions regarding paying each dealer for their respective interest in inventory, parts, signage, special tools, and warranty and recall work.

CONCLUSIONS OF LAW & ORDER

By not maintaining the qualifications for a license as per Ark. Code Ann. § 23-112-308 and voluntarily terminating its license Midwest Equipment Rental & Sales dealer license is terminated and Midwest Equipment Rental & Sales must comply with all provisions of Ark. Code Ann. § 23-112-403(a)(2)(K).

IT IS SO ORDERED.

AGREED this 7th day of February 2022.

Approved:

By: Jennifer Wells

Date: 2/7/2022

ARKANSAS MOTOR VEHICLE COMMISSION

By: Joy Blankenship
Joy Blankenship, Chair

Date: 2/7/2022

MEMORANDUM

To: To all Arkansas public secondary or post-secondary qualified
Motor Vehicle Education and Training Institutions

From: F.S. Stroope

Date: January 31, 2022

Re: Education and Training Grant

The Arkansas Motor Vehicle Commission will no longer administer the education and Training Grants as it has in the past. Act 504 of the 2021 Legislative Session established the Automotive Technologist Education Grant Program to replace the AMVC Education and Training Grants.

The Office of Skills Development, the Division of Career and Technical Education, and the Division of Higher Education shall jointly review and make recommendations on applications for the automotive Technologist Education Grant. The application for a grant will be created by the above group. When this application is completed, it will be posted on the AMVC web page and educational programs that have been interested in the past, will be notified.

Thank you for your interest in the AMVC Education and Training Grants and we hope you will participate in the new Automotive Technologist Education Grant after it is established.

Internal Control and Compliance Assessment

Arkansas Legislative Audit

Department of Labor and Licensing

For the Two Fiscal Years Ended June 30, 2020



INTRODUCTION

This report is issued to inform the Legislative Joint Auditing Committee of compliance with state fiscal laws and regulations as well as deficiencies in internal controls for the Department of Labor and Licensing. As discussed in the Results of Assessment section below, our procedures disclosed that the Agency failed to report losses discovered prior to audit (Finding 1), provide adequate supporting documentation for purchases and travel-related expenditures made by the current and former Executive Directors of the State Board of Architects (Finding 2), retain the official agenda and minutes for public meetings of the State Board of Architects (Finding 3), adhere to Arkansas Code that prohibits employment of relatives (State Board of Architects) (Finding 4), properly calculate lump sum leave payouts (Finding 5), and diligently pursue the collection of receivables and refer uncollectable accounts to the Chief Fiscal Officer (CFO) of the State for abatement (Finding 6).

SCOPE AND METHODOLOGY

We performed an internal control and compliance assessment of the Department of Labor and Licensing, a department of Arkansas state government, as of and for the two-year period ended June 30, 2020, and have issued our report dated October 18, 2021. Management of the Agency is responsible for establishing and maintaining internal controls and complying with applicable laws and regulations.

The assessment included cash on deposit, cash receipts, accounts receivable, investments, expenditures, liabilities, capital assets, and data entry to the Arkansas Administrative Statewide Information System (AASIS). The assessment consisted principally of inquiries, observations, analytical procedures, and selected tests of internal control policies and procedures, accounting records, and other relevant documents. We relied on financial data in AASIS recorded by the Agency and audit work conducted in the fiscal years 2019 and 2020 Annual Comprehensive Financial Reports (ACFR) and Single Audit Reports.

RESULTS OF ASSESSMENT

Assessment procedures disclosed the following internal control or compliance matters that were discussed with Department officials during the assessment and at the exit conference:

Finding 1: R1-19-4-2004 of the Financial Management Guide specifically states that an agency is "...responsible for, and held accountable for, reporting any losses of state funds to the Chief Fiscal Officer [CFO] of the State and to Arkansas Legislative Audit [ALA]. Losses include apparent unauthorized disbursements of state funds or the apparent theft or misappropriation of state funds or property." Furthermore, reporting shall be made within five business days of the date the loss is discovered, and no agency, board, commission or institution has the authority to negotiate with any officer or employee for settlement of any losses without the approval of the CFO of the State.

ARKANSAS LEGISLATIVE AUDIT
500 Woodlane Street, Suite 172, Little Rock, AR 72201
Phone: 501-683-8600 Fax: 501-683-8605
www.arklegaudit.gov

Report ID: SAC991020

Report Date: October 18, 2021



The Agency did not report losses incurred regarding the former Executive Director of the State Board of Architects, who resigned on December 13, 2019. These losses included several inventory items, totaling \$2,177, that had been in the possession of the former Executive Director but could not be located and two payroll checks the former Executive Director received to which he was not entitled, totaling \$4,917.

Although approval from the CFO of the State was not obtained, the Agency withheld the accrued annual leave lump sum payout, totaling \$11,082, to recover the value of the payroll overpayment and inventory losses.

We recommend the Agency report losses to the CFO of the State and ALA, as required. In addition, we recommend the Agency request from the CFO of the State approval to negotiate or settle losses prior to pursuing restitution.

Management response: *The Department agrees with Finding #1. The Department has taken steps to ensure future compliance with a policy directive that includes the following:*

- *Any loss of state funds or property, including apparent unauthorized disbursements, apparent theft or misappropriation of state funds or property, or damage to state property shall be reported to the Department's Chief Fiscal Officer the business day following the date the loss is discovered.*
- *The Department's Chief Fiscal Officer is the clearly designated official with the authority to oversee and require compliance with the Financial Management Guide with respect to losses.*
- *No final action or resolution shall be made with respect to a loss without the approval of the Department's Chief Fiscal Officer.*

Finding 2: Our review revealed undocumented and/or unauthorized expenditures by the current and former Executive Directors of the State Board of Architects, as discussed below:

Current Executive Director

R7-19-4-904 of the Financial Management Guide requires a Travel Expense Reconciliation form when an employee does not pay all travel expenses. In addition, R1-19-4-903 states that when lodging costs exceed the rates listed in the Federal Travel Directory, a letter of authorization and justification by the administrative head of the agency must be on file with the travel payment document.

Our review revealed that in June 2019, the current Executive Director of the State Board of Architects traveled to Washington, D.C., for a conference and did not complete the required form. Additionally, the lodging for the trip exceeded the per diem by \$192, and a letter of authorization/justification was not provided.

Former Executive Director

Ark. Code Ann. § 19-4-1103 states that the executive head of an agency is responsible for establishing procedures and controls to ensure accurate payment of obligations, management approval of expenditures, and retention of supporting invoices. Additionally, R19-4-815 of the Financial Management Guide requires that original documents supporting indebtedness be kept in a safe place subject to audit.

During our review of fiscal year 2019 expenditures, we discovered 12 instances, totaling \$11,769, in which the former Executive Director of the State Board of Architects was reimbursed for expenses without appropriate supporting documentation or authorization/approval:

- Receipts for three purchases totaling \$3,020 could not be provided; therefore, the specific items purchased and business purpose could not be determined.
- A receipt for purchase of a camera, filter, and memory card, totaling \$3,345, could not be provided. (The memory card was part of the inventory loss mentioned in **Finding 1.**)
- Seven purchases of apparent personal items, totaling \$4,947, were not documented as authorized or approved, and a business purpose was not documented.
- Lodging expenses for a June 2019 trip to Las Vegas, which included a room upgrade, exceeded the per diem by \$457, and a letter of authorization/justification was not provided, in noncompliance with R1-19-4-903 of the Financial Management Guide.

We recommend the Agency review its internal control procedures regarding expenditures to ensure compliance with Arkansas laws.

Management response: *The Department agrees with the finding. It should be noted that these actual expenditures all occurred prior to July 1, 2019, the date of transfer of the Board of Architects, Landscape Architects, and Interior Designers (ASBALAID) to the Department. Following the former Executive Director's failure to appear before the Legislative Audit Committee in December 2019, Secretary Bassett provided the Committee with certain corrective actions that were taken to avoid the same problems in the future. Some of those actions are repeated here, or changes are noted. The Department has taken the following corrective actions:*

- *Regarding the June 2019 trip to Washington, D.C., of the current Executive Director of the Architects Board, the sum of \$192 has been paid to the Board. This represents the amount that exceeded per diem without prior authorization.*
- *Monthly bills and monthly expenditures are reviewed by the Department's central finance staff for appropriate documentation, authorizations/approvals, and the business purpose or justification.*
- *The Secretary initially cancelled all the Board's credit cards (purchasing cards and travel cards). In the past few months, the current Executive Director was approved for a purchasing card (P-card). It has a Department-imposed limit of \$2,000.*
- *The Department's Chief Financial Officer operated as the de facto Executive Director for a period prior to the promotion of the former Office Manager. This promotion occurred only after the former Office Manager had proven herself to the Board and the Secretary.*
- *The Secretary's Chief of Staff has been designated the travel supervisor for the Executive Director, as well as the directors of the other boards, commissions, and divisions within the Department.*

Finding 3: Ark. Code. Ann. § 25-18-604 establishes guidelines for record retention, including permanent retention of official agendas and minutes of public meetings. Our review revealed that these records for the State Board of Architects were stored on the former Executive Director's computer. Prior his resignation in December 2019, he deleted the contents of his computer's hard drive, which included the files related to the public meetings.

We recommend the Agency establish appropriate procedures to ensure information is retained in accordance with Arkansas law.

Management response: *The Department agrees with the finding. This is similar to an access finding regarding the Board of Architects, Landscape Architects, and Interior Designers as a result of the FY2018 audit. As Secretary Bassett assured the Legislative Audit Committee at that time, the current Executive Director has been instructed with respect to record management responsibilities. The ASLAID board meetings are video recorded through the Department's ZOOM video conferencing system. Those recordings are maintained by the Information Technology Section for a period of 6 months. The video recording, together with minutes and agendas, are required to be maintained by staff on the appropriate network system, so that backups occur.*

As a result of this finding, all directors have been reminded to ensure that records are maintained on appropriate network drives with back up approved by the Department's Chief Information Officer.

Finding 4: Ark. Code. Ann. § 25-16-1002 prohibits employment of relatives within a state agency when one relative is responsible for supervising the job performance or work activities of another relative.

The current Executive Director of the State Board of Architects, who was the Office Manager in July 2019, used a temporary staffing agency to hire her step-son and was responsible for supervising his job performance and work activities.

We recommend the Agency review its procedures regarding hiring and supervising relatives to ensure compliance with Arkansas Code.

Management response: *The Department agrees with the finding. Appropriate personnel action has been taken. Further, all hiring decisions are reviewed by appropriate Human Resources personnel. There are no contracts with temporary staffing agencies, and any such contract would require the approval of the Secretary.*

Finding 5: Our review revealed calculation errors regarding payouts for annual leave, sick leave, and compensatory leave, as discussed below:

Annual Leave Payouts

In accordance with Office of Personnel Management (OPM) policy number 45, individuals who terminate employment with the State are eligible to receive a payout of their annual leave balances, including birthdays and holidays.

For the year ended June 30, 2020, we noted the following:

- Two employees at the Worker's Compensation Commission were underpaid \$615 and \$494, respectively, because eligible hours were entered incorrectly.
- One employee at the Real Estate Commission was underpaid \$112 because the correct rate of pay was not used.
- At the Division of Labor, one employee was underpaid \$155 because the correct rate of pay was not used, and one extra-help employee received \$202, although extra-help employees are ineligible for leave payouts.

For the year ended June 30, 2019, we noted the following:

- At the Division of Labor, one employee was underpaid \$96 because information was entered into AASIS incorrectly, and one employee was overpaid \$120 because eligible hours were entered incorrectly.

- One employee at the Real Estate Commission was underpaid \$99 because the correct rate of pay was not used.

Sick Leave

OPM policy number 54 outlines the payout plan for unused sick leave upon retirement or death of an employee.

For the year ended June 30, 2020, we noted the following:

- One employee at the Worker's Compensation Commission was underpaid \$2,221 because family medical leave was not considered in the calculation.
- One employee at the Division of Labor was overpaid \$2,250 because the eligible hours were entered incorrectly.

For the year ended June 30, 2019, one employee at the Division of Labor was overpaid \$2,790 because information was entered into AASIS incorrectly.

Compensatory Time

OPM policy number 28 outlines the payout allowances for compensatory time. Our review revealed that compensatory time was not being approved by the employee's supervisor prior to being earned for the two-year period ended June 30, 2020, at the Towing and Recovery Board, in noncompliance with OPM policy number 28. A discussion with the Board Director on March 24, 2021 indicated that Secretary Bassett has eliminated all overtime (compensatory time).

We recommend the Agency review calculations for all lump sum payments to ensure calculations are accurate and employees are properly paid for applicable unused leave balances.

Management response: *The Department agrees with the finding. In terms of corrective action, we are taking the following actions:*

- *There are two underpayments cited for former employees of the Arkansas Real Estate Commission due to incorrect pay rate being used. Our staff cannot edit the rate of pay that is used for the leave payouts in AASIS. Staff can only enter the type of leave, number of hours and effective date. Now that we are aware that there is a problem, we will check for accuracy of the information and contact DFA with respect to any discrepancy.*
- *The calculation error related to Family and Medical Leave Act leave was due in part to a reliance on a misleading form in lieu of the language of the OPM rule. That misunderstanding has been corrected with staff.*
- *In terms of underpayments, the Department is currently exploring the manner and method of making former employees whole in consultation with OPM.*
- *In terms of overpayments, the Department will formally notify DFA of the losses and consult with them on appropriate action to recover the losses.*
- *One clarification should be made with respect to the Towing and Recovery Board. The Secretary has not eliminated all use of overtime, but only routine use of overtime. It is still available for certain emergencies and other situations.*

Finding 6: In accordance with R4-19-4-2004 of the Financial Management Guide, regarding accounts receivable, an agency shall diligently and actively pursue collection of receivables

and document those efforts, prepare aging reports at least monthly, document the review by management and the results of the review, develop and follow written criteria to determine accounts that are not collectable, provide estimates of receivables deemed not collectable annually at year-end, and refer debts deemed uncollectable to the CFO of the State.

Our review of 30 accounts receivable items revealed the following deficiencies:

- The Agency did not document that it prepared monthly aging reports or that management reviewed the receivable balances. The lack of controls over accounts receivable balances resulted in uncollected balances at the following entities:
 - > Division of Labor – Five items totaling \$1,830 (one each from 2012, 2016, and 2019 and two from 2020.).
 - > Contractors Licensing Board – Four items totaling \$329,622 (one each from 2015, 2017, 2018, and 2020).
 - > Real Estate Commission – Four items totaling \$184,471 (one from 2015, two from 2016, and one from 2020).
- The Contractor's Licensing Board recorded \$153,622 as an allowance for doubtful accounts without developing written criteria.
- We noted several accounts that the Agency should consider in an annual estimate of uncollectable items because they were outstanding prior to June 30, 2019:
 - > Division of Labor – Two items totaling \$250.
 - > Contractors Licensing Board – Two items totaling \$154,000.
 - > Real Estate Commission – Three Items totaling \$179,471.
- The Agency did not receive approval from the CFO of the State for the abatement of receivables at the following entities:
 - > Division of Labor – One item totaling \$35.
 - > Contractors Licensing Board – Two items totaling \$162,000.

In addition, we noted several accounts for which an abatement approval should be considered because they were outstanding prior to June 30, 2019:

- > Division of Labor – Two items totaling \$250.
- > Contractors Licensing Board – Two items totaling \$211,622.
- > Real Estate Commission – Three items totaling \$179,471.

We recommend the Agency review and strengthen accounts receivable procedures to ensure balances are pursued for collection, written criteria are developed for uncollectable amounts, and appropriate approval from the CFO of the State is obtained prior to abatement.

Management response: *The Department strongly agrees with the conclusion and recommendation that it review and strengthen accounts receivable procedures; that it ensures written criteria is developed for the identification and handling of doubtful accounts; and that appropriate approval from the Chief Fiscal Officer of the State is obtained prior to abatement. The Department has or is taking the following corrective action:*

- *The Department is currently working on a comprehensive and consistent procedure for accounts receivable and anticipates completion by the end of the year.*

- *The Department will review the seven (7) items recommended for consideration in its annual estimate of uncollectable items and seek abatement as appropriate.*
- *The Arkansas Real Estate Commission has expanded its monthly report of accounts receivable to include an item for "Fines—Accounts Receivable."*
- *The Contractors Licensing Board will treat a board-ordered reduction in an administrative fine as an abatement issue. A board imposed fine based on a contingency, such as a "\$1000 fine reduced to \$500 if no violations for 1 year," presents a different question and will be addressed in written Department procedures in consultation with DFA and Legislative Audit staff.*
- *Meanwhile, all directors have been instructed to treat administrative fines as accounts receivable for the purposes of aging reports, documentation of collection activity or determination of uncollectable status, and following proper abatement procedures as appropriate.*

ENABLING LEGISLATION AND ORGANIZATIONAL STRUCTURE

The Arkansas Department of Labor and Licensing is a cabinet-level department established by The Transformation and Efficiencies Act of 2019 (Act 910 of 2019). Under the Act, the administrative functions of the following state entities were transferred to the Department:

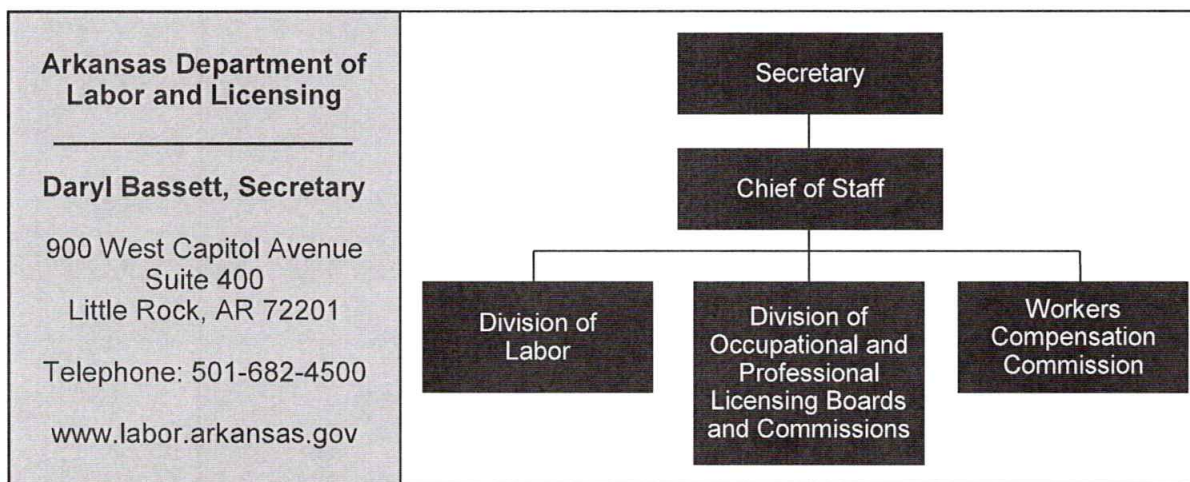
- The Department of Labor, now known as the Division of Labor.
- Abstractors' Board.
- State Board of Public Accountancy.
- Appraiser Licensing and Certification Board.
- State Board of Architects, Landscape Architects, and Interior Designers.
- State Athletic Commission.
- Auctioneer's Licensing Board.
- Professional Bail Bond Company and Professional Bail Bondsman Licensing Board.
- State Board of Barber Examiners.
- State Board of Collection Agencies.
- Contractors Licensing Board.
- Board of Electrical Examiners.
- Elevator Safety Board.
- State Board of Licensure for Professional Engineers and Professional Surveyors.
- Fire Protection Licensing Board.
- State Board of Registration for Professional Geologists.
- Home Inspector Registration Board.
- HVACR Licensing Board.
- Manufactured Home Commission.
- Motor Vehicle Commission.
- Pawnbroker Licensure Commission.
- Real Estate Commission.
- Towing and Recovery Board.
- Workers' Compensation Commission.

As shown in **Exhibit I**, the newly-created Department has three divisions:

1. The mission of the **Division of Labor** is to foster, promote, and develop the health, safety and welfare of the wage earners of Arkansas by providing services and enforcing laws to improve working conditions and enhance their opportunities for safe and profitable employment.
2. The **Division of Occupational and Professional Licensing Boards and Commissions** was established for the purpose of organizing licensing boards.
3. The **Workers' Compensation Commission** administers and enforces Arkansas workers' compensation law and is directed to the moral, social, and economic benefits of protecting employers, employees, and their dependents from financial burdens imposed by job-related injury and disease.

Exhibit I

**Arkansas Department of Labor and Licensing
Organizational Chart**



Source: Department of Labor and Licensing

EFFECTS OF CORONAVIRUS DISEASE 2019

On March 11, 2020, the Governor of Arkansas issued Executive Order 20-03 declaring a public health emergency and ordered the Arkansas Department of Health to take action to prevent the spread of coronavirus disease 2019 (COVID-19). The COVID-19 outbreak is disrupting sales, travel, and everyday life across several industries and governments. The extent of the impact of COVID-19 on the financial statements for future reporting periods will depend on certain developments, including the duration of the outbreak and revenue collections – all of which are uncertain and cannot be predicted. Impacts on the Department of Labor and Licensing included additional investment in technology upgrades, including hardware, software, and online payment options, and the shift for some employees to work remotely.

FISCAL ANALYSIS

As previously mentioned, in accordance with Act 910 of 2019, effective July 1, 2019, multiple entities were consolidated to form the Department of Labor and Licensing. Summary financial information for each business area is presented in **Exhibit II on page 9**.

Exhibit II

**Arkansas Department of Labor and Licensing
Summary of Financial Information by Business Area
For the Year Ended June 30, 2020**

Board/Commission/Division	Assets and Deferred Outflows	Liabilities and Deferred Inflows	Revenues	Expenditures	Net Transfers In (Out)
Department of Labor and Licensing	\$ 875,551	\$ 432,244	\$ 385,747	\$ 780,780	\$ 557,168
Division of Labor	4,714,956	808,454	2,828,080	5,985,302	2,894,031
Abstractors' Board	114,735	7,929	14,457	9,225	
State Board of Public Accountancy	1,751,071	349,886	1,002,997	978,971	(14,402)
Appraiser Licensing and Certification Board	1,342,429	343,989	451,372	414,953	61
State Board of Architects, Landscape Architects, and Interior Designers	3,210,070	110,220	459,955	231,013	333
State Athletic Commission	109,585	2,483	45,226	98,863	155,109
Auctioneers Licensing Board	253,746	4,370	95,677	109,876	(1,620)
Professional Bail Bondsman Licensing Board	3,399,292	1,315,824	483,445	341,272	161
State Board of Barber Examiners	230,198	8,837	277,933	251,423	
State Board of Collection Agencies	5,937,383	2,524,062	1,883,167	310,565	(1,419,611)
Contractors Licensing Board	5,804,822	2,406,470	1,550,732	1,287,330	(114,579)
State Board of Licensure for Professional Engineers and Professional Surveyors	2,703,807	518,682	705,539	522,598	124
Fire Protection Licensing Board	513,879	109,350	217,789	106,474	(2,142)
State Board of Registration for Professional Geologists	125,241	36,688	5,555	49,792	124,272
Home Inspectors Registration Board	513,140	54,564	105,844	70,885	3
Manufactured Home Commission	2,078,586	44,907	310,623	256,220	32
Motor Vehicle Commission	2,433,217	74,336	586,122	456,106	(129,446)
Real Estate Commission	4,952,489	920,196	1,437,030	1,194,422	110
Towing and Recovery Board	277,075	121,403	267,838	319,215	
Workers' Compensation Commission	132,297,570	235,849,334	18,515,566	12,893,159	89
Totals	\$ 173,638,842	\$ 246,044,228	\$ 31,630,694	\$ 26,668,444	\$ 2,049,693

Source: Arkansas Administrative Statewide Information System Trial Balance (unaudited by Arkansas Legislative Audit)

Revenues, Expenditures, and Transfers

Revenues, expenditures, and transfers for the Department for fiscal years 2016 through 2020 are presented in **Exhibit III on page 10**.

The Department reported \$31.6 million in total revenues for fiscal year 2020. Of the \$26.8 million in licenses and fees, premium tax fees totaled \$16.2 million, and the remaining \$10.6 million were special revenues related to issuance of licenses.

Department expenditures totaled \$26.7 million for the fiscal year ended June 30, 2020. The majority of expenditures was for salaries and refunds, taxes and claims, which comprised 71% and 15% of total expenditures, respectively.

The Department reported net transfers of \$2 million, which represent general revenue distributions.

Assets, Liabilities, and Deferred Inflows and Outflows of Resources

Assets, liabilities, and deferred inflows/outflows of resources for fiscal years 2016 through 2020 are presented in **Exhibit IV on page 10**.

The Department's assets totaled \$170.6 million for the year ended June 30, 2020 with cash and cash equivalents comprising 52% and investments comprising 31%. Liabilities totaled \$242 million at June 30, 2020, with claims payable representing the largest component, totaling \$209.4 million or 87%. Deferred inflows and outflows of resources for fiscal year 2020 totaled \$4 million and \$3 million, respectively.

Exhibit III

Arkansas Department of Labor and Licensing
Revenues, Expenditures, and Transfers
For the Years Ended June 30, 2016 through 2020

	Fiscal Year				
	2020	2019	2018	2017	2016
Revenues					
Licenses and fees	\$ 26,815,863	\$ 27,964,793	\$ 29,400,148	\$ 29,724,186	\$ 28,073,620
Fines and penalties	1,266,725	1,484,711	1,285,246	1,221,447	840,331
Investment revenues	2,086,529	4,456,118	1,319,274	1,805,087	1,094,991
Other revenues	1,461,577	1,703,798	1,247,049	1,551,747	1,826,571
Total Revenues	<u>\$ 31,630,694</u>	<u>\$ 35,609,420</u>	<u>\$ 33,251,717</u>	<u>\$ 34,302,467</u>	<u>\$ 31,835,513</u>
Expenditures					
Salaries	\$ 18,926,871	\$ 17,231,030	\$ 17,357,950	\$ 16,511,578	\$ 18,008,660
Utilities and rent	915,632	923,777	939,556	1,022,385	1,027,079
Refunds, taxes, and claims	3,976,605	11,426,055	9,645,494	4,023,230	10,778,538
Other expenses	2,849,336	3,519,879	6,111,001	4,528,084	3,486,406
Total Expenditures	<u>\$ 26,668,444</u>	<u>\$ 33,100,741</u>	<u>\$ 34,054,001</u>	<u>\$ 26,085,277</u>	<u>\$ 33,300,683</u>
Net Transfers In (Out)	<u>\$ 2,049,693</u>	<u>\$ 1,563,317</u>	<u>\$ 1,573,856</u>	<u>\$ 1,684,258</u>	<u>\$ 1,739,847</u>

Source: Arkansas Administrative Statewide Information System Trial Balance (unaudited by Arkansas Legislative Audit)

Exhibit IV

Arkansas Department of Labor and Licensing
Assets, Liabilities, and Deferred Inflows and Outflows of Resources
For the Years Ended June 30, 2016 through 2020

	Fiscal Year				
	2020	2019	2018	2017	2016
Assets					
Cash and cash equivalents	\$ 89,473,008	\$ 103,537,966	\$ 94,730,719	\$ 91,077,302	\$ 116,552,507
Investments	52,561,207	39,506,521	46,601,327	50,861,288	27,057,562
Fixed assets	8,122,353	7,722,414	7,549,641	7,388,633	6,916,823
Other assets	20,422,919	20,512,794	24,752,613	24,507,999	24,454,660
Total Assets	<u>\$ 170,579,487</u>	<u>\$ 171,279,695</u>	<u>\$ 173,634,300</u>	<u>\$ 173,835,222</u>	<u>\$ 174,981,552</u>
Deferred Outflows of Resources					
Related to pension expense	\$ 3,059,355	\$ 1,680,630	\$ 2,462,009	\$ 2,685,655	\$ 1,740,010
Liabilities					
Claims payable	\$ 209,428,879	\$ 219,366,357	\$ 222,216,620	\$ 227,127,819	\$ 238,640,503
Long-term liabilities	23,029,119	20,479,015	25,285,661	23,007,788	22,423,147
Unearned revenues	4,329,211	4,160,970	4,264,013	4,035,918	3,977,781
Other liabilities	5,254,209	5,000,558	5,072,196	4,765,043	4,165,811
Total Liabilities	<u>\$ 242,041,418</u>	<u>\$ 249,006,900</u>	<u>\$ 256,838,490</u>	<u>\$ 258,936,568</u>	<u>\$ 269,207,242</u>
Deferred Inflows of Resources					
Related to revenues	\$ 4,002,810	\$ 3,858,320	\$ 3,496,947	\$ 2,845,664	\$ 3,256,517

Source: Arkansas Administrative Statewide Information System Trial Balance (unaudited by Arkansas Legislative Audit)

License Activity

A summary of license activity is presented in **Exhibit V**. The information represents licenses issued, revenue collected, and average fees for individuals and firms that were issued licenses for the year ended June 30, 2020.

Exhibit IV
Arkansas Department of Labor and Licensing
Summary of License Activity
For the Year Ended June 30, 2020

Board Name	License Type	# Issued	Revenues	Average Fee
Department of Labor and Licensing				
• HVACR Licensing Board	Individual licenses	7,696	\$ 712,838	\$ 93
Division of Labor				
• Board of Electrical Examiners	Individual licenses	12,920	372,121	29
• Boiler Inspection	Individual licenses	6,324	147,576	23
• Elevator Safety Board	Individual licenses	322	29,920	93
• Elevator Safety Board	Firm licenses	31	6,370	205
Abstractors' Board	Individual licenses	167	8,350	50
	Firm licenses	76	11,455	151
State Board of Public Accountancy	Individual licenses	5,862	531,850	91
	Firm licenses	739	81,290	110
Appraiser Licensing and Certification Board	Individual licenses	1,241	238,720	192
	Firm licenses	125	62,500	500
State Board of Architects, Landscape Architects, and Interior Designers				
• Landscape Architects	Individual licenses	221	25,440	115
• Interior Designers	Individual licenses	55	5,900	107
• Architects	Individual licenses	1,767	205,810	116
• Architects	Firm licenses	567	145,500	257
State Athletic Commission	Individual licenses	536	9,425	18
Auctioneer's Licensing Board	Individual licenses	791	79,100	100
Professional Bail Bond Company and Professional Bail Bondsman Licensing Board	Individual licenses	478	47,800	100
	Firm licenses	43	43,000	1,000
State Board of Barber Examiners	Individual licenses	3,298	156,800	48
	Firm licenses	1,051	59,065	56
State Board of Collection Agencies	Individual licenses	62,671	1,253,420	20
	Firm licenses	1,396	174,500	125
Contractors Licensing Board	Firm licenses	17,768	796,350	45
State Board of Licensure for Professional Engineers and Professional Surveyors				
• Engineers	Individual licenses	5,962	518,960	87
• Surveyors	Individual licenses	434	28,435	66
• Engineers and Surveyors	Firm licenses	1,286	136,300	106
Fire Protection Licensing Board	Individual licenses	2,105	121,015	57
	Firm licenses	328	99,530	303
State Board of Registration for Professional Geologists	Individual licenses	609	36,580	60
Home Inspector Registration Board	Individual licenses	473	113,700	240
Manufactured Home Commission	Individual licenses	234	11,700	50
	Firm licenses	159	57,325	361
Motor Vehicle Commission	Individual licenses	5,852	346,645	59
	Firm licenses	789	223,890	284
Real Estate Commission	Individual licenses	16,336	1,034,945	63
	Firm licenses	120	40,350	336
Towing and Recovery Board	Individual licenses	1,959	135,849	69
	Firm licenses	705	105,343	149

Source: Agency revenue records (unaudited by Arkansas Legislative Audit)

