

**MINUTES OF THE ARKANSAS MOTOR VEHICLE COMMISSION**

**Business Meeting  
101 East Capitol Avenue, Suite 204  
Little Rock, Arkansas**

**July 18<sup>th</sup>, 2012**

The regularly scheduled meeting of the Arkansas Motor Vehicle Commission was called to order at 9:37 a.m. by Chairman Sandy Stroope. Staff present were Executive Director Greg Kirkpatrick, Fiscal Manager Jennifer Padgett, License Supervisor Vicki Wright, Secretary Angela Stoffer, Investigator Danny Holmes and Legal Counsel Mark Ohrenberger. All Commissioners were present. Also in attendance were Dennis Jungmeyer with the Arkansas Automobile Dealers Association; Sandra Porter, the Associate Director for Workforce Training with the Arkansas Department of Career Education; and Dennis and Mitchell Ward with Red River Dodge in Heber Springs.

The minutes from the May 16<sup>th</sup>, 2012, meeting were reviewed and approved unanimously as written following a proper motion and second.

The Commission unanimously approved the expenditures for the July 18<sup>th</sup>, 2012, meeting following a proper motion and second.

Director Kirkpatrick asked Ms. Padgett to explain that the Commissioners need to approve the fiscal reports generated by the Department of Finance and Administration - Service Bureau from the AASIS system rather than simply reviewing the reports each month. The fiscal reports were reviewed and approved unanimously following a proper motion and second.

Legal Counsel Mark Ohrenberger informed the Commission that the Arkansas Supreme Court received the Voltage Vehicles v. AMVC case. The Duncan Outdoors\Gregory Polaris\Valley Powersports vs. Carter Brother's matter has been reduced to one case and is currently scheduled for trial on August 18<sup>th</sup>, 2012, in Pulaski County Circuit Court. Mr. Ohrenberger also updated the Commission on his progress towards collecting the ordered amount owed to the Commission regarding the AMVC fine assessed to Nathan Pruss and Bruno's Powersports.

Director Kirkpatrick presented the Ad Hoc Committee findings to the Commission. The first finding was a recommendation for a Notice of Violation to a dealer in the central Arkansas area for two thousand five hundred dollars (\$2,500.00) for false and misleading advertising. The next finding was to rescind a recommendation for a Notice of Violation to a central Arkansas dealer from the March Ad Hoc Committee for false and misleading advertising due to an error. This violation was the dealers first, and as a result, the Commission will issue a letter of warning to the dealer. The last finding was to issue a letter of violation for a spot delivery issue with no penalty involved. The Commission unanimously approved the recommendations of the Ad Hoc Committee following a proper motion and second.

Director Kirkpatrick reminded the Commission of the new Education and Training Grant program previously discussed in the May 2012 meeting, and presented the request from the Department of Career Education for the Commission to share in potential future unemployment expenses due to the recommended discontinuation of the current fund transfer from AMVC to ACE. Ms. Sandra Porter with Career Education provided additional detail regarding this request and stated the maximum amount of the unemployment would be \$11,275.00 or \$451.00 over 25 weeks. The Commission approved by a vote of 8 yea's, and 1 nay to share these potential expenses through a 50/50 split with the Department of Career Education following a proper motion and second.

Mitchell Ward with Red River Dodge appeared before the Commission to discuss the placement of new motor vehicles at locations other than the dealers licensed location. The Commission recommended Red River Dodge make signage that identifies the lot as a storage facility with language that directs consumers to the licensed lot of the dealership. Mr. Jungmeyer with AADA recommended the Commission consider enacting a Rule to better define the requirements for a storage facility as this problem is not unique to one dealer.

Director Kirkpatrick reviewed a request the Commission received from an attorney that represents a web-based application company that will provide licensed automobile dealers a centralized network to buy, sell, and trade vehicles in their respective inventory with other licensed dealers. The

Commission agreed this program was similar to other web-based applications currently being used in the State of Arkansas. The Commission expressed concerns of this application becoming available to retail buyers which would likely be a form of brokering. Following a proper motion and a second, the Commission unanimously approved the review of this business plan and determined it did not violate Commission statutes as presented.

Dennis Jungmeyer with AADA discussed the definition of a dealer program offering “Free Lifetime Oil Changes.” The Commission asserted the definition of this offer is limited to the original owner that purchased the vehicle and would continue as long as this original purchaser owned the vehicle. Basically, the program is attached to the owner, not the vehicle. Mr. Jungmeyer made the Commission aware of the advertising policy of some Manufacturer/Distributors for their dealers. Some manufacturers do not allow dealers to advertise vehicles lower than the invoice price. If the dealer violates these provisions, they lose access to program dollars. Mr. Jungmeyer also asked all Commissioners to attend this year’s AADA Legislative Meeting in October.

The Commission reviewed and unanimously approved following a proper motion and a second the 2014-2015 Biennial Budgets as presented.

Chairman Stroope accepted a motion and second to adjourn the meeting.

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

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Sandy Stroope, Chairman  
Bobby Ferguson, Vice Chairman  
Joy Blankenship, Secretary