

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas  
94th General Assembly  
Regular Session, 2023

# A Bill

HOUSE BILL 1751

By: Representative M. Brown

By: Senator M. Johnson

## For An Act To Be Entitled

AN ACT CONCERNING DECEPTIVE TRADE PRACTICES; TO  
CREATE THE ARKANSAS AUTOMOTIVE SUBSCRIPTIONS CONSUMER  
PROTECTION ACT; AND FOR OTHER PURPOSES.

## Subtitle

CONCERNING DECEPTIVE TRADE PRACTICES; AND  
TO CREATE THE ARKANSAS AUTOMOTIVE  
SUBSCRIPTIONS CONSUMER PROTECTION ACT.

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

SECTION 1. DO NOT CODIFY. Legislative findings and intent.

(a) The General Assembly finds that:

(1) Certain motor vehicle manufacturers have indicated their intent to begin charging consumers a subscription or other ongoing fee in order for consumers to be able to use certain motor vehicle features that are paid for by the consumers at the time of purchase but which do not require any ongoing expense to or maintenance by the motor vehicle manufacturer in order to function after purchase, including without limitation heated seats, fob-based key remote start systems, and other similar features, and to disable such features unless the subscriptions or other fees are paid; and

(2) The motivation for charging consumers fees is to extract the maximum profit from consumers while providing no additional value or service to such consumer.

(b) It is the intent of this act to establish that the actions of certain motor vehicle manufacturers that threaten to disable these motor



vehicle features on motor vehicles of Arkansas consumers constitutes an unfair trade practice.

SECTION 2. Arkansas Code Title 4, Chapter 88, is amended to add an additional subchapter to read as follows:

Subchapter 11 – Arkansas Automotive Subscriptions Consumer Protection Act

4-88-1101. Title.

This subchapter shall be known and may be cited as the "Arkansas Automotive Subscriptions Consumer Protection Act".

4-88-1102. Definitions.

As used in this subchapter:

(1) "Manufacturer" means a person or business engaged in the manufacturing or assembling of a new motor vehicle;

(2) "Motor vehicle" means the same as defined in § 27-14-104;

(3) "Motor vehicle feature" means any convenience or safety function, feature, or accessory included on a motor vehicle at the time of purchase, including without limitation heated seats and fob-based key remote start systems; and

(4) "Subscription" means a recurring payment, including without limitation a weekly, monthly, or annual payment charged to and made by a consumer.

4-88-1103. Certain subscriptions unlawful.

(a) A motor vehicle manufacturer shall not charge, whether directly, through a related or subsidiary entity, or through a third-party service provider, any consumer a subscription as a condition of being able to use any motor vehicle feature that:

(1) Utilizes components and hardware already installed on the motor vehicle and paid for by the consumer at the time of purchase; and

(2) Would continue to function after the time of purchase without any ongoing expense to the manufacturer or any third-party service provider.

(b) This subchapter shall not be construed to prohibit a motor vehicle manufacturer from charging a subscription for a motor vehicle feature that

requires an ongoing expense to the motor vehicle manufacturer or a third-party service provider in order to continue to function after purchase, including without limitation satellite radios, internet services, and roadside assistance services.

4-88-1104. Penalties – Enforcement.

(a)(1) A violation of this subchapter shall constitute an unfair and deceptive act or practice under § 4-88-107.

(2) All remedies, penalties, and authority granted to the Attorney General under the Deceptive Trade Practices Act, § 4-88-101 et seq., or this subchapter shall be available to the Attorney General for the enforcement of this subchapter.

(b) A prosecuting attorney of any of the districts and counties of this state shall have the authority to enforce this subchapter.

(c) This subchapter shall not prohibit an individual harmed by the deceptive trade practice from bringing a civil action against a motor vehicle manufacturer for violating this subchapter.

4-88-1105. Civil action.

(a) A civil action may be filed by an individual who is charged a subscription in violation of this subchapter.

(b) In a civil action under subsection (a) of this section, an individual who is charged a subscription in violation of this subchapter may elect to recover from the entity charging the subscription:

(1) The actual financial loss proximately caused by the offense or violation, including the amount of all subscriptions charged to the person in violation of this subchapter and paid by the person; or

(2) A penalty of one thousand dollars (\$1,000) per violation.

(c) A prevailing party in any action brought under subdivision (a) of this section shall be awarded costs and reasonable attorney's fees.

(d) An action brought under this subchapter shall not be subject to the prohibition against class action lawsuits contained in § 4-88-113.