

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

State of Arkansas
94th General Assembly
Regular Session, 2023

As Engrossed: H4/5/23
A Bill

SENATE BILL 427

By: Senator Hill

By: Representative Beaty Jr.

For An Act To Be Entitled

AN ACT TO PROVIDE AN EXEMPTION FOR SPECIAL EVENTS TO ALLOW CERTAIN NEW MOTOR VEHICLE DEALERS AND NEW MOTOR VEHICLE MANUFACTURERS OR DISTRIBUTORS TO DISPLAY AND SELL CERTAIN VEHICLES AT SPECIAL EVENTS THAT HAVE A SIGNIFICANT ECONOMIC IMPACT ON AN AREA; AND FOR OTHER PURPOSES.

Subtitle

TO PROVIDE AN EXEMPTION FOR SPECIAL EVENTS TO ALLOW CERTAIN NEW MOTOR VEHICLE DEALERS AND NEW MOTOR VEHICLE MANUFACTURERS OR DISTRIBUTORS TO DISPLAY AND SELL CERTAIN VEHICLES AT CERTAIN SPECIAL EVENTS.

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

SECTION 1. Arkansas Code Title 23, Chapter 112, Subchapter 8, is amended to read as follows:

Subchapter 8 – Special ~~Motorcycle~~ Events

23-112-801. Findings.

The General Assembly finds that:

(1) A special ~~motorcycle~~ event sponsored by a city, county, nonprofit entity, or ~~motorcycle~~ special event owners' organization draws



people from all over the state, other states, and even other countries;

(2) A special ~~motorcycle~~ event can provide a valuable increase in tourism for the state; and

(3) The laws and rules related to the display and sale of ~~motorcycles~~ special event vehicles at a special ~~motorcycle~~ event ~~must~~ should be modified to lessen the restrictions that are hampering economic growth.

23-112-802. Definitions.

As used in this subchapter:

(1) ~~“Motorcycle owners’ organization” means an entity that is organized as a nonprofit entity or for-profit entity and in good standing with the Secretary of State;~~

~~(2)~~ “Nonprofit entity” means an entity that has received tax-exempt status from the Internal Revenue Service pursuant to section 501(c)(3) or section (501)(c)(4) of the Internal Revenue Code of 1986, 26 U.S.C. § 501(c)(3) or 26 U.S.C. § 501(c)(4), as they existed on ~~January 1, 2007~~ January 1, 2023;

~~(3)~~(2) “Public venue” means a location that:

(A) Is open to the general public; and

(B) Is not the address designated as the primary business address of a new motor vehicle dealer licensed by the Arkansas Motor Vehicle Commission or a used motor vehicle dealer licensed by the ~~Department~~ Division of Arkansas State Police;

~~(4)~~(3) “Significant positive economic impact” means an economic benefit of at least three million dollars (\$3,000,000) to the state or a region of the state; ~~and~~

~~(5)~~(4) “Special ~~motorcycle~~ event” means an event held at a public venue with or without an admission fee that:

(A) Is sponsored by a city, a county, a nonprofit entity, or a ~~motorcycle~~ special event vehicle owners’ organization;

(B) Occurs not more than one (1) time each year for no more than seven (7) consecutive days; and

(C) Includes any of the following that are invited to attend:

(i) New motor vehicle dealers to display and sell ~~motorcycles~~ special event vehicles; or

(ii) New motor vehicle manufacturers or distributors to display ~~motorcycles~~ special event vehicles;

(5) "Special event vehicle" means:

(A) A motorcycle;

(B) An all-terrain vehicle;

(C) A utility task vehicle;

(D) A scooter;

(E) A go-kart; and

(F) A low-speed vehicle; and

(6) "Special event vehicle owners' organization" means an entity that is organized as a nonprofit entity or for-profit entity and in good standing with the Secretary of State.

23-112-803. Statements of estimated positive economic impact.

A statement of the estimated positive economic impact of a proposed special ~~motorcycle~~ event shall be submitted to the Arkansas Motor Vehicle Commission from an independent source ~~such as,~~ including without limitation a university, chamber of commerce, or other entity that regularly engages in the estimation of the economic benefit of an occurrence for businesses and industries.

23-112-804. Significant positive economic impact determinations.

(a) If the statement of estimated positive economic impact that is submitted to the Arkansas Motor Vehicle Commission establishes that a special ~~motorcycle~~ event has a significant positive economic impact, the special ~~motorcycle~~ event is exempt from regulation by the commission as provided under § 23-112-805.

(b) If the statement of estimated positive economic impact that is presented to the commission establishes that a special ~~motorcycle~~ event will not have a significant positive economic impact, then the commission shall determine whether the special ~~motorcycle~~ event is exempt from ~~the provisions~~ of this chapter and any rules promulgated by the commission.

23-112-805. Authority to waive relevant market area and rules.

(a) The Arkansas Motor Vehicle Commission shall waive the following for a special ~~motorcycle~~ event that has a significant positive economic

impact or is determined by the commission to otherwise qualify for an exemption under § 23-112-804(b) if no franchised motor vehicle dealer of a licensed manufacturer is ~~represented~~ participating in the host county of the special ~~motorcycle~~ event or the counties contiguous to the host county:

(1) ~~The provisions of this~~ This chapter regarding relevant market area; and

(2) The rules regarding motor vehicle dealers in contiguous counties.

(b)(1) The commission may promulgate rules for the issuance of a temporary permit to in-state and out-of-state new motor vehicle dealers and new motor vehicle manufacturers or distributors to participate in a special ~~motorcycle~~ event under this subchapter.

(2) ~~No rule shall be promulgated~~ The commission shall not promulgate a rule that puts a greater burden on out-of-state new motor vehicle dealers and new motor vehicle manufacturers or distributors to obtain a temporary permit than the requirements necessary for a new motor vehicle dealer or new motor vehicle manufacturer or distributor to obtain a license from the commission.

(3) If the commission establishes fees for a temporary permit under this subsection, the fees shall not exceed:

(A) For an out-of-state new motor vehicle dealer, one hundred dollars (\$100);

(B) For a new motor vehicle manufacturer or distributor, two hundred fifty dollars (\$250);

(C) For an out-of-state salesperson, fifteen dollars (\$15.00); and

(D) For a factory representative or distributor representative, fifty dollars (\$50.00).

23-112-806. Established and ongoing special ~~motorcycle~~ events.

(a) A special ~~motorcycle~~ event that has been ongoing for five (5) years or more before July 31, 2007, and has had a significant positive economic impact in the past shall be:

(1) Considered an established and ongoing special ~~motorcycle~~ event; and

(2) Eligible to a presumption of a significant positive economic

impact by the Arkansas Motor Vehicle Commission.

(b) Notwithstanding any provision of law to the contrary, ~~an established and ongoing special motorcycle event under this section may continue to invite motor vehicle dealers and manufacturers that have participated in the special motorcycle event for the previous three (3) years~~ new motor vehicle dealers and new motor vehicle manufacturers or distributors that have participated in an established and ongoing special event under this section for the previous three (3) years may continue to be invited to the special event.

/s/Hill