

**ARKANSAS SENATE**  
88th General Assembly - Regular Session, 2011  
**Amendment Form**

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**Subtitle of Senate Bill No. 765**

TO AMEND THE ARKANSAS MOTOR VEHICLE COMMISSION ACT.

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**Amendment No. 1 to Senate Bill No. 765**

Amend Senate Bill No. 765 as originally introduced:

Page 1, delete lines 22 through 31 and substitute:

"(6)(A) "Coerce" means:

(i) ~~the failure to act in good faith in Compelling~~  
or attempting to compel by threatening, retaliating, using economic force, or  
by not performing or complying with:

(a) ~~any~~ Any terms or provisions of the  
franchise or sales and service agreement;

(b) The terms of this chapter; or

(c) The rules promulgated by the Arkansas  
Motor Vehicle Commission; or

(ii) Threatening to withhold benefits available to  
other same line make dealers in the state.

(B) "Coerce" does not mean recommending, exposing,  
persuading, urging, or arguing;"

AND

Page 2, delete lines 30 and 31 and substitute:

"for attorney's fees, if none have been awarded in an earlier administrative  
hearing."



AND

Page 4, delete line 20 and substitute:

"franchise, except when an existing franchisee initiated the relocation."

AND

Page 5, line 5, delete "vehicle;" and substitute "vehicle solely intended to recover the cost of reimbursing the motor vehicle dealer for parts and labor under this chapter;"

AND

Page 5, line 8, delete "chapter" and substitute "chapter."

AND

Page 6, delete lines 9 through 31 and substitute:

"(ii)(a) However, a manufacturer, distributor, second-stage manufacturer, importer, convertor, manufacturer branch or division, or distributor branch or division may, consistent with its allocation obligations at law and to its other same line-make motor vehicle dealers, provide to a motor vehicle dealer a commitment to supply additional vehicles or provide a loan or grant of money as an inducement for the motor vehicle dealer to expand, improve, remodel, alter, or renovate its facilities if the provisions of the commitment are contained in a writing voluntarily agreed to by the dealer and are made available, on substantially similar terms, to any of the licensee's other same line-make dealers who voluntarily agree to make a substantially similar facility expansion, improvement, remodeling, alteration, or renovation.

(b) Subdivisions (a)(2)(Q)(i) – (ii) do not require a manufacturer, distributor, second-stage manufacturer, importer, convertor, manufacturer branch or division, or distributor branch or division to provide financial support for, or contribution to, the purchase sale of the assets of or equity in a motor vehicle dealer or a relocation of a motor

vehicle dealer because such support has been provided to other purchases, sales, or relocations.

(c) A manufacturer, distributor, second-stage manufacturer, importer, convertor, manufacturer branch or division, or distributor branch or division shall not take or threaten to take any action that is unfair or adverse to a dealer who does not enter into an agreement pursuant to subdivisions (a)(2)(Q)(i) – (ii).

(d) This subdivision does not affect any contract between a licensee and any of its dealers regarding relocation, expansion, improvement, remodeling, renovation, or alteration which exists on the effective date of this act."

AND

Page 6, line 35, delete "fail to allow" and substitute "unreasonably withhold approval for"

AND

Page 6, line 36, delete "purchase" and substitute "purchase substantially similar"

AND

Page 7, line 1, delete "of like kind and quality" entirely

AND

Page 7, line 8, delete "facilities;" and substitute "facilities unless justified by the technological requirements for the sale or service of a vehicle;"

AND

Page 7, delete line 20 and substitute:

"subdivision (a)(2)(T)(i) is void.

(c) However, this subdivision shall not apply to:

(1) Voluntary agreements where separate and valuable consideration has been offered and accepted; or

(2) Settlement agreements entered into as a result of a dispute."

AND

Page 8, line 9, delete "separate, valuable," and substitute "separate and valuable"

AND

Page 8, line 10, delete "and reasonable" entirely

AND

Page 8, line 33, delete "equal numbers to" and substitute "numbers based on the available inventory, both on the ground and in transit, to"

AND

Page 9. line 1, delete "ten (10)" and substitute "five (5)"

AND

Page 9, delete lines 10 through 14 and substitute:

"(A)(i) To refuse to deliver, in reasonable quantities and within a reasonable time after receipt of a dealer's order to any ~~duly~~ licensed motor vehicle"

AND

Page 9, line 30, delete ", or to;" and substitute ",i or to"

AND

Page 9, line 35, delete "dealer;" and substitute "dealer."

AND

Page 9, delete line 36 entirely

AND

Page 10, delete lines 1 through 5 entirely

AND

Page 11, line 1, delete "qualified" and substitute "unqualified"

AND

Page 11, line 2, delete "reasonably" entirely

AND

Page 13, line 14, delete "one (1) year" and substitute "sixty (60) days"

AND

Page 13, line 18, delete "distributors," and substitute "distributors or  
manufacturer,"

AND

Page 13, line 19, delete "new distributor" and substitute "distributor,  
manufacturer, new distributor,"

AND

Page 13, line 19, delete "the manufacturer" and substitute "new manufacturer"

AND

Page 14, line 29, delete "ninety-day" and substitute "thirty-day"

AND

Page 14, line 35, delete "; or" and substitute "."

AND

Page 14, delete line 36 entirely

AND

Page 15, delete lines 1 through 6 entirely

The Amendment was read the first time, rules suspended and read the second time and \_\_\_\_\_

By: Senator D. Wyatt

JSE/JSE - 03/14/11 02:34

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Secretary