

State of Arkansas  
94th General Assembly  
Regular Session, 2023

# A Bill

SENATE BILL 427

By: Senator Hill

## 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 ~~Motoreycle~~ Events

23-112-801. Findings.

The General Assembly finds that:

(1) A special ~~motoreycle~~ event sponsored by a city, county,  
nonprofit entity, or ~~motoreycle~~ special event owners' organization draws  
people from all over the state, other states, and even other countries;



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

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

23-112-802. Definitions.

As used in this subchapter:

(1) ~~“Motoreyele 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 ~~motoreyele~~ 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 ~~motoreyele~~ 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 ~~motoreyeles~~ 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

1 exemption under § 23-112-804(b) if no franchised motor vehicle dealer of a  
 2 licensed manufacturer is ~~represented~~ participating in the host county of the  
 3 special ~~motorcycle~~ event or the counties contiguous to the host county:

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

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

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

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

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

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

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

24 (C) For an out-of-state salesperson, fifteen dollars  
 25 (\$15.00); and

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

28  
 29 23-112-806. Established and ongoing special ~~motorcycle~~ events.

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

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

35 (2) Eligible to a presumption of a significant positive economic  
 36 impact by the Arkansas Motor Vehicle Commission.

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