

**RULES OF THE
ARKANSAS MOTOR VEHICLE COMMISSION**

PROPOSED RULE 5

LIMITATION OF SALES OF NEW MOTOR VEHICLES

1. A new motor vehicle dealer will be licensed only after the Arkansas Motor Vehicle Commission is provided with a signed copy of the contract between the dealer and manufacturer or distributor which specifies:
 - A. The line-make(s) which may be displayed and offered for sale;
 - B. That the dealer's physical facilities meet or exceed the minimum requirements of the manufacturer or distributor and meet the requirements of the Arkansas Motor Vehicle Commission ACT, A.C.A 23-112-302 (e) (1) (2).
2. The contract may be in the form of a franchise agreement, dealer sales and service agreement or letter of intent. A letter of intent may be used only if:
 - A. Upon execution of a subsequent, final, or amended contract, a copy of the complete contract is provided to the Arkansas Motor Vehicle Commission within 30 days of the date the contract is executed.
3. If, after licensing, the terms of the contract between the dealer and the manufacturer or distributor change, a copy of the new contract must be provided to the Arkansas Motor Vehicle Commission within 30 days of the date the contract is executed.
4. (A) **SPECIALTY VEHICLES** are exempt from regulation and licensure by the Commission. The Arkansas Motor Vehicle Commission Act defines specialty vehicles and authorizes the Commission to add to by rule, additional vehicles to the list of specialty vehicles. Pursuant to its authority to define specialty vehicles in A.C.A. §23-112-103 the Commission has determined that the following vehicles are specialty vehicles which are exempt from regulation by the Commission.
 - (1) Garbage Trucks, Ambulances, Fire Trucks, Limousines, Hearses, Wheeled Trolleys, Wreckers, and;
 - (2) Unassembled motor vehicles such as kits or packaged and sold unassembled.
 - (a)"Unassembled" means requiring the ultimate purchaser to assemble the vehicle by attaching the engine and/or drive train to the frame.
 - (b)Motor vehicles such as kits or packaged vehicles assembled prior to sale do not qualify under this Rule as a "Specialty Vehicle".
 - (3) Any 2 wheeled motorized vehicles having a top rated speed of 16mph or less.

- (4) Farm Implements defined as a vehicle or implement solely usable for the purpose of agriculture or husbandry and not for the transportation of person(s) or materials from one point to another. Tractors, combines and other similar limited purpose vehicles are farm implements.
- (5) Construction Implements defined as a vehicle or implement solely usable for the purpose of construction and not for the transportation of person(s) or materials from one point to another. Back Hoes, Bulldozers and other similar limited purpose vehicles are Construction Implements.
- (6) Gas scooters, Electric scooters and Cycles having a top rated speed of 16 mph or less.
- (7) Go-Carts, Dune Buggies, or similar type vehicles having ~~a 150cc motor or less.~~
 - (i) A 12 ½ HP engine displacement; or
 - (ii) A 150cc or less engine
- (8) Non-altered golf carts of the type designed and commonly approved for use on all golf courses;
 - (a) Having non-aggressive tread tires and limited purpose capabilities, and;
 - (b) With a designed use limited to the transport of persons and equipment, such as golf clubs, used in playing games of golf.
- (9) Lawnmowers.
- (10) Airplanes.
- (11) Trains.
- (12) Motorized Skateboards.
- (13) Segways and personal transportation vehicles designed solely for the purpose of transport of mobility impaired individuals.

(B) All models and/or types of vehicles are subject to individual review by the Commission to determine whether or not they qualify under the "Specialty Vehicle" exemptions of this Rule.

(C)(1) Any person(s) possessing new motor vehicles removed from "Specialty Vehicle" status by an amendment to this Rule, and whose vehicles were exempted from licensure (90) days prior to the amendment shall, without penalty, have (30) days after the effective date of the amendment to:

- (a) Obtain a license as a new motor vehicle dealer pursuant to A.C.A. §23-112-302, or
- (b) Dispose of all affected new motor vehicles.