

# Proposed Rulemaking

## Title

Promulgated by:  
Department of Labor and Licensing  
Arkansas Motor Vehicle Commission

### **Title 23. Public Utilities and Regulated Industries**

#### **Chapter XII. Arkansas Motor Vehicle Commission, Department of Labor and Licensing**

##### **Subchapter A. Generally**

##### **Part 410. Arkansas Motor Vehicle Commission Rules**

##### **Subpart 5. Limitations of Sales of New Motor Vehicles**

#### **23 CAR § 410-501. Limitations.**

(a) 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:

(1) The line-make or line-makes which may be displayed and offered for sale;  
and

(2) That the dealer's physical facilities:  
(A) Meet or exceed the minimum requirements of the manufacturer or distributor; and

(B) Meet the requirements of the Arkansas Motor Vehicle Commission Act, Arkansas Code § 23-112-302(e)(1) and (2).

(b)(1) The contract may be in the form of a:

(A) Franchise agreement;

(B) Dealer sales and service agreement; or

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(C) Letter of intent.

(2) A letter of intent may be used only if upon execution of a subsequent, final, or amended contract, a copy of the complete contract is provided to the commission within thirty (30) days of the date the contract is executed.

(c) 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 commission within thirty (30) days of the date the contract is executed.

(d)(1) Specialty vehicles are exempt from rules and licensure by the commission.

(2) The Arkansas Motor Vehicle Commission Act defines specialty vehicles and authorizes the commission to add by rule additional vehicles to the list of specialty vehicles.

(3) Pursuant to its authority to define specialty vehicles in Arkansas Code § 23-112-103, the commission has determined that the following vehicles are specialty vehicles which are exempt from rules by the commission:

(A) Garbage trucks;

(B) Ambulances;

(C) Fire trucks;

(D) Limousines;

(E) Hearses;

(F) Wheeled trolleys;

(G) Wreckers;

(H)(i) Unassembled motor vehicles such as kits or packaged and sold unassembled.

(ii) "Unassembled" means requiring the ultimate purchaser to assemble the vehicle by attaching the engine and/or drive train to the frame.

(iii) Motor vehicles such as kits or packaged vehicles assembled prior to sale do not qualify under this part as a "specialty vehicle";

(I) Any two-wheeled motorized vehicles having a top-rated speed of sixteen miles per hour (16 mph) or less;

(J)(i) Farm implements defined as a vehicle or implement solely usable for

the purpose of agriculture or husbandry and not for the transportation of a person or persons or materials from one (1) point to another.

(ii) Tractors, combines, and other similar limited-purpose vehicles are farm implements;

(K)(i) Construction implements defined as a vehicle or implement solely usable for the purpose of construction and not for the transportation of a person or persons or materials from one (1) point to another.

(ii) Backhoes, bulldozers, and other similar limited-purpose vehicles are construction implements;

(L) Gas scooters, electric scooters, and cycles having a top-rated speed of sixteen miles per hour (16 mph) or less;

(M) Go-carts, dune buggies, or similar type vehicles having:

(i) A one hundred fifty cubic centimeter (150cc) motor or less;

(ii) A twelve and one half horsepower (12 ½ hp) engine

displacement; or

(iii) A one hundred fifty cubic centimeter (150cc) or less engine;

(N) Nonaltered golf carts of the type designed and commonly approved for use on all golf courses:

(i) Having nonaggressive tread tires and limited purpose capabilities;

and

(ii) With a designed use limited to the transport of persons and equipment, such as golf clubs, used in playing games of golf;

(O) Lawnmowers;

(P) Airplanes;

(Q) Trains;

(R) Motorized skateboards; ~~and~~

(S) Segways and personal transportation vehicles designed solely for the purpose of transport of mobility impaired individuals; ~~and~~

(T) Electric bikes, classified as a Class/Type 1 or Class/Type 2 having a top-rated speed of twenty miles per hour (20 mph) or less.

(4) 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 part.

(5) Any person or persons possessing new motor vehicles removed from "specialty vehicle" status by an amendment to this part, and whose vehicles were exempted from licensure ninety (90) days prior to the amendment shall, without penalty, have thirty (30) days after the effective date of the amendment to:

(A) Obtain a license as a new motor vehicle dealer pursuant to Arkansas Code § 23-112-302; or

(B) Dispose of all affected new motor vehicles.