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VERMONT DEPARTMENT OF FINANCIAL REGULATION  
DIVISION OF BANKING

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Motor Vehicle Retail Installment Sales Finance Act Guidance

This Bulletin clarifies what constitutes a “motor vehicle” under the Motor Vehicle Retail Installment Sales Finance Act (“MVRISFA”), 9 V.S.A. Chapter 59, and the Retail Installment Sales Act, 9 V.S.A. Chapter 61. Chapters 59 and 61 both regulate retail installment sales contracts. Chapter 59 applies to *motor vehicle* retail installment contracts while Chapter 61 applies to retail installment contracts for *other consumer goods*. The broad definition of motor vehicle under MVRISFA has created uncertainty as to which chapter applies to various types of mechanized equipment, specifically ATVs, snowmobiles, garden tractors, and garden trailers.

Each chapter defines the term “motor vehicle,” though the definitions differ. The definitions are as follows:

Chapter 59, MVRISFA:

‘Motor vehicle’ means and is limited to the following:

- (A) All vehicles propelled or drawn by power other than muscular power, except when two or more such vehicles are purchased at the same time;
- (B) Trailers and semi-trailers, as defined in 23 V.S.A. § 4 (40), except when two or more such trailers or semi-trailers are purchased at the same time.
- (C) Mobile home as defined in 10 V.S.A. § 6201.”

Chapter 61, Retail Installment Sales Act:

“Motor vehicle” or “vehicle” means and is limited to any automobile, mobile home, motorcycle, truck, truck-tractor, trailer, semi-trailer, and bus designed and *used primarily to transport persons or property on a public highway*, excepting however any boat trailer, any vehicle propelled or drawn exclusively by muscular power or which is designed to run only on rails or tracks.”  
(emphasis added).

When read together, the definitions in Chapters 59 and 61 identify a distinguishing characteristic — whether a vehicle *is designed to be used primarily to transport persons or property on a public highway*.

When viewed in this context, vehicles that are *not* designed to be used primarily to transport persons or property on public highways, such as snowmobiles, ATVs, garden tractors, and garden trailers are not considered to be motor vehicles under Chapter 59. Therefore, they are “goods” and are regulated by Chapter 61.



Michael S. Pieciak, Commissioner  
Vermont Department of Financial Regulation

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Date

