AN ACT

Amending the act of December 22, 1983 (P.L.306, No.84), entitled "An act providing for the State Board of Vehicle Manufacturers, Dealers and Salespersons; and providing penalties," in vehicles, further providing for unlawful acts by manufacturers or distributors.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 310(c)(6) of the act of December 22, 1983 (P.L.306, No.84), known as the Board of Vehicles Act, renumbered and amended October 24, 2018 (P.L.816, No.134), is amended to read:

Section 310. Unlawful acts by manufacturers or distributors.

* * *

(c) Restriction on ownership of dealer.--

* * *

(6) The following shall apply:

[[i] A manufacturer or distributor may own, operate or control not more than five new vehicle dealerships]
trading solely in electric vehicles, as defined in 75 Pa.C.S. § 102 (relating to definitions), that are not sold as new vehicles by a licensed independent new vehicle dealer pursuant to an existing franchise with a manufacturer or distributor, if each of the following conditions are met:

(A) Each of the new vehicle dealerships selling the manufacturer's new motor vehicles in this Commonwealth trade exclusively in the manufacturer's line-make.

(B) Each of the new vehicle dealerships selling the manufacturer's motor vehicles in this Commonwealth are determined to be in compliance with this chapter.

(C) Either of the following apply:

(I) The manufacturer, distributor or a subsidiary, affiliate or controlled entity has not acquired, nor does it hold a controlling interest in another manufacturer or distributor, required to be licensed under this chapter.

(II) If a controlling interest is acquired, the manufacturer, distributor or a subsidiary, affiliate or controlled entity may not continue to operate or control a new vehicle dealership under this subsection for a period not more than 12 months from the date it acquired the controlling interest.

(D) Either of the following apply:

(I) A controlling interest in the original manufacturer, distributor or any subsidiary,
affiliate or controlled entity was not transferred, sold or conveyed to another manufacturer, distributor, person or entity required to be licensed under this chapter.

(II) If a controlling interest is transferred, sold or conveyed to another manufacturer, distributor, person or entity required to be licensed under this chapter, the entity may not continue to operate or control a new vehicle dealership under this subsection for a period not more than 12 months from the date it acquired the controlling interest.

(E) The manufacturer shall have continuously offered electric vehicles for sale for a period of not less than 12 months prior to the effective date of this clause.

(ii) Nothing under this chapter shall prohibit a manufacturer operating or controlling a new vehicle dealership under this paragraph from owning, operating or controlling a warranty facility for warranty repairs on the manufacturer's line-make of vehicles.

(i) A manufacturer or distributor may own, operate or control new vehicle dealerships trading solely in electric vehicles, as defined in 75 Pa.C.S. § 102 (relating to definitions), that are not sold as new vehicles by licensed independent new vehicle dealers pursuant to an existing franchise with a manufacturer or distributor, if each of the following conditions are met:

(A) Each of the new vehicle dealerships selling the manufacturer's new motor vehicles in this
Commonwealth trades exclusively in the manufacturer's line-make.

(B) Each of the new vehicle dealership selling the manufacturer's motor vehicles in this Commonwealth is determined to be in compliance with this act.

(C) Either of the following apply:

(I) The manufacturer, distributor or a subsidiary, affiliate or controlled entity has not acquired, nor does it hold a controlling interest in another manufacturer or distributor, required to be licensed under this act.

(II) If a controlling interest is acquired, the manufacturer, distributor or a subsidiary, affiliate or controlled entity may not continue to operate or control the new vehicle dealerships under this subsection for a period not more than 12 months from the date it acquired the controlling interest.

(D) Either of the following apply:

(I) A controlling interest in the original manufacturer, distributor or any subsidiary, affiliate or controlled entity was not transferred, sold or conveyed to another manufacturer, distributor, person or entity required to be licensed under this act.

(II) If a controlling interest is transferred, sold or conveyed to another manufacturer, distributor, person or entity required to be licensed under this act, the
entity may not continue to operate or control the
new vehicle dealerships under this subsection for
a period not more than 12 months from the date it
acquired the controlling interest.

(ii) Nothing under this act shall prohibit a
manufacturer operating or controlling new vehicle
dealerships under this paragraph from owning, operating
or controlling a warranty facility for warranty repairs
on the manufacturer's line-make of vehicles.

* * *

Section 2. This act shall take effect immediately.