
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1901 Session of
2019

INTRODUCED BY LAWRENCE, BERNSTINE, BROWN, CIRESI, EMRICK,
KEEFER, KORTZ, MENTZER, MILLARD, MOUL, SAYLOR, SCHMITT,
STRUZZI, THOMAS, ZABEL AND ZIMMERMAN, OCTOBER 23, 2019

REFERRED TO COMMITTEE ON PROFESSIONAL LICENSURE,
OCTOBER 23, 2019

AN ACT

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

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

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

12 Section 310. Unlawful acts by manufacturers or distributors.

13 * * *

14 (c) Restriction on ownership of dealer.--

15 * * *

16 (6) The following shall apply:

17 [(i) A manufacturer or distributor may own, operate
18 or control not more than five new vehicle dealerships

1 trading solely in electric vehicles, as defined in 75
2 Pa.C.S. § 102 (relating to definitions), that are not
3 sold as new vehicles by a licensed independent new
4 vehicle dealer pursuant to an existing franchise with a
5 manufacturer or distributor, if each of the following
6 conditions are met:

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

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

15 (C) Either of the following apply:

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

21 (II) If a controlling interest is acquired,
22 the manufacturer, distributor or a subsidiary,
23 affiliate or controlled entity may not continue
24 to operate or control a new vehicle dealership
25 under this subsection for a period not more than
26 12 months from the date it acquired the
27 controlling interest.

28 (D) Either of the following apply:

29 (I) A controlling interest in the original
30 manufacturer, distributor or any subsidiary,

1 affiliate or controlled entity was not
2 transferred, sold or conveyed to another
3 manufacturer, distributor, person or entity
4 required to be licensed under this chapter.

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

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

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

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

29 (A) Each of the new vehicle dealerships selling
30 the manufacturer's new motor vehicles in this

1 Commonwealth trades exclusively in the manufacturer's
2 line-make.

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

7 (C) Either of the following apply:

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

13 (II) If a controlling interest is acquired,
14 the manufacturer, distributor or a subsidiary,
15 affiliate or controlled entity may not continue
16 to operate or control the new vehicle dealerships
17 under this subsection for a period not more than
18 12 months from the date it acquired the
19 controlling interest.

20 (D) Either of the following apply:

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

27 (II) If a controlling interest is
28 transferred, sold or conveyed to another
29 manufacturer, distributor, person or entity
30 required to be licensed under this act, the

1 entity may not continue to operate or control the
2 new vehicle dealerships under this subsection for
3 a period not more than 12 months from the date it
4 acquired the controlling interest.

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

10 * * *

11 Section 2. This act shall take effect immediately.