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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1907 Session of  
2021

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INTRODUCED BY LAWRENCE, BERNSTINE, R. BROWN, CIRESI, EMRICK,  
HILL-EVANS, JAMES, MALONEY, MILLARD, MOUL, N. NELSON, ROWE,  
RYAN, STRUZZI, THOMAS, VITALI, WHEELAND AND ZIMMERMAN,  
SEPTEMBER 27, 2021

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REFERRED TO COMMITTEE ON PROFESSIONAL LICENSURE,  
SEPTEMBER 27, 2021

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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, is amended  
10 to read:

11 Section 310. Unlawful acts by manufacturers or distributors.

12 \* \* \*

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

14 \* \* \*

15 (6) The following shall apply:

16 [(i) A manufacturer or distributor may own, operate  
17 or control not more than five new vehicle dealerships  
18 trading solely in electric vehicles, as defined in 75

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

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

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

14 (C) Either of the following apply:

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

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

27 (D) Either of the following apply:

28 (I) A controlling interest in the original  
29 manufacturer, distributor or any subsidiary,  
30 affiliate or controlled entity was not

1 transferred, sold or conveyed to another  
2 manufacturer, distributor, person or entity  
3 required to be licensed under this chapter.

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

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

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

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

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

1 line-make.

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

6 (C) Either of the following apply:

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

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

19 (D) Either of the following apply:

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

26 (II) If a controlling interest is  
27 transferred, sold or conveyed to another  
28 manufacturer, distributor, person or entity  
29 required to be licensed under this act, the  
30 entity may not continue to operate or control the

1                   new vehicle dealerships under this subsection for  
2                   a period not more than 12 months from the date it  
3                   acquired the controlling interest.

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

9                   \* \* \*

10                  Section 2. This act shall take effect immediately.