

Support Senate Bill 1182: Modernization of the Board of Vehicle's Act (unanimously passed by Senate)

- Modernization needed - the last time the Act was amended on behalf of dealers was 2018.
- All of the provisions in SB 1182 have been passed by other state's legislatures.
- Pennsylvania dealers are now at a disadvantage as dealers in surrounding states have laws that manufacturers are not required to follow in Pennsylvania.
- Section on customer data so that dealers have more control over who is accessing their customer's information. (Currently manufacturers and vendors can pull information at any time –recent crackdowns by FTC on manufacturers).
- Oppose any manufacturer direct sales amendments on behalf of Rivian and Lucid – the implications to the industry are bigger than these two companies (e.g. VW/Scout, Chinese manufacturers).

Warranty Repairs

- Technicians are not being fairly compensated by manufacturers for warranty and recall work and many dealers are subsidizing technician pay to retain technicians.
- On average, manufacturers are paying 53% less on warranty repairs than a retail customer pays for the same work performed on their vehicle.
- Manufacturers should not be able to dictate their own discount to the detriment of dealers and their technicians.
- This optional process would allow dealers to apply for compensation at the retail rate.
- 8 states have recently changed their laws to ensure technicians are compensated at retail rate –including surrounding states like New York and New Jersey.

Prohibit Manufacturers Selling Direct and Define Affiliates

- Across the country, states have recognized the value of the franchise system to their local communities in protecting the public and promoting main street over wall street.
- Manufacturers selling direct will be detrimental to Pennsylvanians, especially in the areas of warranty issues, recalls, lack of competition, and diminished local employment.
- Several manufacturers are seeking to sell direct to consumers. Some are doing so through affiliated companies that they claim are independent. For example, Volkswagen is bringing back 'Scout' model cars but seeking to distribute them direct to consumers instead of through their franchise dealers. Dealers who invested heavily in the Volkswagen brand and in their local communities would have to compete with their own manufacturer should Volkswagen prevail.