

Regulatory Analysis Form		This space for use by IRRC
(1) Agency Department of State, Bureau of Professional and Occupational Affairs, State Board of Vehicle Manufacturers, Dealers and Salespersons		CPN 9/27/01 12 31 05 REVIEW COMMISSION
(2) I.D. Number (Governor's Office Use) 16A-605		IRRC Number: 2325
(3) Short Title Branch Lots		
(4) PA Code Cite 49 Pa. Code § 19.5	(5) Agency Contacts & Telephone Numbers Primary Contact: Teresa Lazo-Miller, Counsel State Board of Vehicle Manufacturers, Dealers and Salespersons (717)783-7200 Secondary Contact: Joyce McKeever, Deputy Chief Counsel (717)783-7200	
(6) Type of Rulemaking (check one) <input checked="" type="checkbox"/> Proposed Rulemaking Final Order Adopting Regulation Final, Proposed Omitted	(7) Is a 120-Day Emergency Certification Attached? <input checked="" type="checkbox"/> No Yes: By the Attorney General Yes: By the Governor	
(8) Briefly explain the regulation in clear and nontechnical language. The regulation would define the phrase "used solely for storage" of section 5(e)(1)(ii) of the Board of Vehicles Act, 63 P.S. § 818.5(e)(1)(ii), so that dealers would be put on notice of when a branch lot license could be required for a location. The regulation permits a licensed vehicle dealer to store vehicles at an unlicensed location where no vehicle business activity takes place. The regulation would also permit a licensed vehicle dealer to place a single vehicle at an unlicensed location so long as the placement is in the nature of advertising rather than display for the purposes of sale.		
(9) State the statutory authority for the regulation and any relevant state or federal court decisions. The proposed amendments are authorized by Sections 4(a) and 5(e)(1) of the Board of Vehicles Act (Act), Act of December 22, 1983 (P.L. 306, No. 84), <u>as amended</u> , 63 P.S. §§ 818.4(a) and 818.5(e)(1)(ii). In <u>Spankey's Auto Sales v. State Bd. of Vehicle Mfrs., Dealers and Salespersons</u> , 773 A.2d 206 (Pa. Commw. 2001), the Commonwealth Court held that the Board improperly disciplined a dealer for operating an unlicensed branch lot under section 5(a)(1) of the Act, 63 P.S. §818.5(a)(1), because the lot did not contain an office and lot. The Court did not consider whether the Board could have disciplined the dealer under section 19(34) of the Act, 63 P.S. §818.19(34), which prohibits a dealer from conducting business at any location other than that authorized by its license.		

Regulatory Analysis Form

(10) Is the regulation mandated by any federal or state law or court order, or federal regulation? If yes, cite the specific law, case or regulation, and any deadlines for action.

The proposed amendments are not mandated by federal or state law, regulation, or court order.

(11) Explain the compelling public interest that justifies the regulation. What is the problem it addresses?

The regulation promotes the public interest by clarifying the phrase “used solely for the storage of vehicles” in the Act so that dealers understand how to comply with the Act. Consistent with the Act, the regulation would set out requirements that would prohibit a dealer from conducting any sales activity at an unlicensed location.

The Board proposes to clarify the circumstances under which the placement of a vehicle in a public place is the advertisement, rather than display for sale, of the vehicle. The amendment addresses the public interest by assisting dealers with conforming their activities to the Act and by preventing sales activity at unlicensed locations.

(12) State the public health, safety, environmental or general welfare risks associated with nonregulation.

The Act requires licensure for locations from which sales activity is conducted in order to permit the Board to regulate the display and sale of vehicles to promote consumer protection and public safety. Nonregulation in the proposed area would lead to additional violations by dealers attempting to increase their business despite restrictions in the Act.

(13) Describe who will benefit from the regulation. (Quantify the benefits as completely as possible and approximate the number of people who will benefit.)

Vehicle dealers will benefit from the regulation by being permitted to display a vehicle in a high traffic area and to store vehicles in a manner that does not conflict with the Act. There are approximately 8700 licensed vehicle dealers in the Commonwealth who will be affected by the proposed regulation. The general public will benefit from the restrictions because they comply with the consumer protection and public safety provisions of the Act that prohibit sales activity at unlicensed locations.

Regulatory Analysis Form

(14) Describe who will be adversely affected by the regulation. (Quantify the adverse effects as completely as possible and approximate the number of people who will be adversely affected.)

The Board has identified no individuals or groups who will be adversely affected by the regulation.

(15) List the persons, groups or entities that will be required to comply with the regulation. (Approximate the number of people who will be required to comply.)

All vehicle dealers who wish to display a single vehicle or who maintain storage lots will be required to comply with the regulation.

(16) Describe the communications with and input from the public in the development and drafting of the regulation. List the persons and/or groups who were involved, if applicable.

Pursuant to Executive Order 1996-1, the Board sent a draft of the proposed amendment to the following dealer and industry groups for comment: Pennsylvania Automotive Association, Pennsylvania Motorcycle Dealers Association, Pennsylvania Manufactured Housing Association, Adesa Pittsburgh, Butler Auto Auction, Central Penn Sales, Central Pennsylvania Auto Auction, D-A Auto Auction, Corry Auto Dealers Exchange, Danville Auto Dealers Exchange, Ebensburg Auto Auction, Garden Spot Auto Auction, Harrisburg Auto Auction, Hatfield Auto Auction, Manheim Auto Auction, Motorworld Auto Auction, North East Auto Pennsylvania Auction, Pennsylvania Auto Dealers' Exchange, Perryopolis Auto Auction, Swade Auto Auction, Tri State Auto Auction and Pennsylvania Independent Automobile Dealers Association (PIADA). PIADA commented that the proposed amendment was consistent with discussions PIADA had with various state agencies and the Board in 1994.

(17) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures which may be required.

The Board anticipates no costs to the regulated community in complying with the guidelines related to single vehicle display.

Minimal costs may be associated with meeting the requirements for placing vehicles at a storage lot, in that the regulation requires a sign denoting that the area is for storage only.

Regulatory Analysis Form

(18) Provide a specific estimate of the costs and/or savings to local governments associated with compliance, including any legal, accounting or consulting procedures which may be required.

Local governments would not be affected by the regulation.

(19) Provide a specific estimate of the costs and/or savings to state government associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required.

There are no specific costs or savings to state government associated with implementing the regulation. However, the Board expects a savings to the law enforcement branch of the Bureau of Professional and Occupational Affairs associated with the clarification of the requirements of the Act.

Regulatory Analysis Form

(20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
SAVINGS:	N/A					
Regulated Community						
Local Government						
State Government		minimal	minimal	minimal	minimal	minimal
Total Savings						
COSTS:	N/A					
Regulated Community		minimal	minimal	minimal	minimal	minimal
Local Government		N/A	N/A	N/A	N/A	N/A
State Government		N/A	N/A	N/A	N/A	N/A
Total Costs						
REVENUE LOSSES:	N/A	N/A	N/A	N/A	N/A	N/A
Regulated Community						
Local Government						
State Government						
Total Revenue Losses						

(20a) Explain how the cost estimates listed above were derived.

Minimal costs to the regulated community may occur in complying with the sign requirements for an unlicensed location where vehicles are stored.

Regulatory Analysis Form

(20b) Provide the past three year expenditure history for programs affected by the regulation.

Program	FY98-99	FY99-00	FY00-01	FY00-01
Board expenditures	\$1,295,447.34	\$1,303,099.05	(projected) \$1,323,801.08	(budgeted) \$1,364,000.00
Board revenues	\$1,978,228.43	\$621,293.28	\$2,144,964.70	(budgeted) \$880,000.00

(21) Using the cost-benefit information provided above, explain how the benefits of the regulation outweigh the adverse effects and costs.

The benefits to public safety and consumer protection outweigh the potential, minimal expenditures by dealers in complying with the proposed amendment.

(22) Describe the nonregulatory alternatives considered and the costs associated with those alternatives. Provide the reasons for their dismissal.

No nonregulatory approaches were considered because the Board's regulations create binding rules of conduct.

Regulatory Analysis Form

(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulation.

No federal licensure standards apply.

(25) How does this regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?

The proposed regulation will not put Pennsylvania at a competitive disadvantage with other states. Rather, it is consistent with most surrounding states.

West Virginia limits a dealer to displaying and offering vehicles for sale at the dealer's licensed location. W. Va. Code of State Regs. § 91-6-2(2.2.4(a)). West Virginia allows for off-premise sales for up to 10 days with prior approval. W.Va. Code of State Regs. § 91-6-2(2.5).

In Ohio, a dealer must have an established place of business from which the dealer conducts its business. Ohio Rev. Code Ann. § 4517.12(A)(9). The dealer may only display or offer vehicles for sale from the licensed location unless the dealer receives a special permit to display a vehicle at another site. Ohio Rev. Code Ann. § 4517.22(G).

A dealer must operate from its established place of business in New Jersey, N.J. Stat. § 39:10-19 and Delaware, 21 Del. C. § 6303. In addition, Maryland does not permit off-premise display, as in a shopping mall. Md. Code Ann. § 15-304.

In New York, a dealer must make all sales from its registered place of business. 15 N.Y. Codes, Rules and Regs. § 78.8(a). However, an exception allows the dealer to display a vehicle at an unlicensed location if no sales personnel or employees are present. 15 N.Y. Codes, Rules and Regs. § 78.8(e).

(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

This regulation will have no effect on other regulations of the Board or other state agencies.

(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, times, and locations, if available.

The Board reviews regulatory proposals at regularly scheduled public meetings each month. Meeting dates are available on the Department of State's website, www.dos.state.pa.us.

Regulatory Analysis Form

(28) Will the regulation change existing reporting, record keeping, or other paperwork requirements? Describe the changes and attach copies of forms or reports which will be required as a result of implementation, if available.

No changes to reporting, record keeping or other paperwork is required by this regulation.

(29) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers.

The Board has perceived no special needs of any subset of its applicants or licensees for whom special accommodations should be made.

(30) What is the anticipated effective date of the regulation; the date by which compliance with the regulation will be required; and the date by which any required permits, licenses or other approvals must be obtained?

The regulation will be effective upon publication of final-form rulemaking in the Pennsylvania Bulletin.

(31) Provide the schedule for continual review of the regulation.

The Board continuously monitors its regulations.

FACE SHEET
FOR FILING DOCUMENTS
WITH THE LEGISLATIVE REFERENCE BUREAU

(Pursuant to Commonwealth Documents Law)

2002 FEB 12 11:03:05
LEGISLATIVE REFERENCE BUREAU
REVIEW COMMISSION

#2325

DO NOT WRITE IN THIS SPACE

Copy below is hereby approved as to form and legality. Attorney General

Copy below is hereby certified to be a true and correct copy of a document issued, prescribed or promulgated by:

Copy below is approved as to form and legality. Executive or Independent Agencies.

Cristina S. Caputo
BY: _____
(DEPUTY ATTORNEY GENERAL)

State Board of Vehicle Manufacturers, Dealers and Salespersons
(AGENCY)

BY: *John V. Turner*

NOV 13 2002

DATE OF APPROVAL

DOCUMENT/FISCAL NOTE NO. 16A-605

DATE OF ADOPTION: _____

10/15/02

DATE OF APPROVAL

BY: *Edward J. Cernie, Jr.*
Edward J. Cernie, Jr.

(Deputy General Counsel
Chief Counsel,
Independent Agency
(Strike inapplicable title))

TITLE: Chairperson
(EXECUTIVE OFFICER, CHAIRMAN OR SECRETARY)

[] Check if applicable
Copy not approved.
Objections attached.

[] Check if applicable. No Attorney General approval or objection within 30 day after submission.

PROPOSED RULEMAKING

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
STATE BOARD OF VEHICLE MANUFACTURERS,
DEALERS AND SALESPERSONS
49 Pa. Code, Chapter 19
BRANCH LOTS

The State Board of Vehicle Manufacturers, Dealers and Salespersons (Board) proposes to amend its regulations by adding a new section at 49 Pa. Code § 19.5, relating to branch lots and lots where licensure is not required, as set forth in Annex A.

The proposed regulation would inform licensees of the conditions under which a licensed dealer may keep vehicles at an unlicensed location used only for storage purposes and the conditions under which a licensed dealer may exhibit a single vehicle at an unlicensed location.

Effective Date

The amendments will be effective upon publication of final-form rulemaking in the *Pennsylvania Bulletin*.

Statutory Authority

The amendments are authorized under Section 4 of the Board of Vehicles Act (Act), (63 P.S. § 818.4).

Background and Need for the Amendment

Storage of Vehicles

The Board proposes to add a new section to its regulations, 49 Pa. Code § 19.5. Section 5(e)(1)(ii) of the Act (63 P.S. § 818.5(e)(1)(ii)) provides that “[a] branch lot shall be a separately licensed location which meets the facility requirements defined herein and by the regulations as a main lot, unless used solely for the storage of vehicles.” As space to park vehicles has become a premium commodity, dealers have developed storage lots that are separate and apart from their dealership facilities. Licensees, the Pennsylvania Independent Automobile Dealers Association (PIADA), and law enforcement agents have asked the Board to promulgate a regulation further defining “used solely for the storage of vehicles” so that dealers may comply with the Act, and law enforcement agents may enforce the Act. The Board’s proposed regulation would define storage of vehicles in relation to engaging in the business of a vehicle dealer in a way that is consistent with public protection concerns that prohibit a dealer from conducting sales activity at an unlicensed location.

Single Vehicle Display

Individual licensees and PIADA have asked the Board to clarify whether the placement of a single vehicle at an unlicensed location is always the display of that vehicle for sale, and therefore prohibited, or whether the placement of a single vehicle at an unlicensed location may, under certain circumstances, be considered permissible activity. The licensees’ concern arises because many shopping malls approach licensees to place automobiles in the shopping mall. PIADA has informed the Board that this type of vehicle display is permitted in states surrounding Pennsylvania and that Pennsylvania dealers believe they are at a competitive

disadvantage because the Act requires vehicles to be displayed at licensed locations. Some surrounding states permit single vehicle display at an unlicensed location provided the dealer is issued a special permit for the display. The Board proposes to make a distinction between display for sale which may only occur at a licensed location and other single vehicle display. This distinction will permit a licensed dealer to place a single vehicle at an unlicensed location.

Section 19(34) of the Act (63 P.S. § 818.19(34)) authorizes the Board to discipline a dealer who “conducts its business . . . at any other location than that authorized by its license.” Under section 2 of the Act (63 P.S. § 818.2), a dealer is a person “who is engaged in the business of buying, selling or exchanging new or used vehicles or an interest in new or used vehicles.” Section 2 of the Act (63 P.S. § 818.2) also defines “buying, selling or exchanging” to “include[] listing, offering, auctioning, advertising, representing or soliciting, offering or attempting to solicit or negotiate on behalf of another a sale, purchase or exchange or any similar or related activity.”

With those definitions in mind, clearly the General Assembly did not intend to prohibit all advertising at a location other than the licensed location; such a ban would prohibit highway billboards, sideboard advertisements at sporting events, and adboards on buses and subways. The General Assembly must have intended to prohibit only activities directly related to buying, selling or exchanging vehicles at locations other than the dealer’s licensed location.

Section 19.18 of the Board’s regulations, 49 Pa. Code §19.18, offers additional insight. Section 19.18(a)(3) of the Board’s regulations, (49 Pa. Code § 19.18(a)(3)), defines a dealer’s display area as a place “where the public is permitted and invited in the regular course of business to inspect or test drive . . . vehicles...offered for sale.” Section 19.18(a)(3) goes on to describe what requirements a “display area” must meet. These requirements include, among other things, adequate space to display and show no fewer than five vehicles; grading, surface, and lighting requirements; requirements that the area be separated from other businesses; and requirements that the area have a telephone line, a sign showing the licensed name of the dealer, and conspicuously posted business hours. Clearly, such places as a mall or someone’s front yard are not “display areas” under the Board’s regulations. The proposed Section 19.5(c) reinforces the distinction between “display areas” as defined by Section 19.28(a)(3) and an area where a vehicle is parked for use as an advertisement.

The Board has set the display limit at one vehicle in order to reduce consumer confusion. A consumer encountering one car on display at the county fairgrounds or local shopping mall is likely to consider that car an advertisement and will not be confused, disappointed, or surprised to find that the car cannot be “inspected” as it could at a licensed location. By comparison, a consumer encountering several cars on display at a county fairground or shopping mall may reasonably expect to be able to inspect the displayed vehicles. This expectation is reasonable because several cars displayed together resemble a sales lot, whereas one car resembles a three-dimensional billboard.

The Board is cognizant of the concern expressed by many dealers that the prohibition against conducting business at other than the licensed location places Pennsylvania dealers at a competitive disadvantage compared with dealers in other states. Dealers wish to display vehicles in high traffic areas, such as shopping malls, or at special events, such as fairs, which draw large numbers of potential customers. The Board must balance the needs of Pennsylvania's licensed dealers with the needs of consumers, and must resolve all disputes in light of its primary mission: to protect the public. Allowing a dealer to place a single vehicle at an unlicensed location, provided that no sales activity is conducted at that location, would not conflict with statutory requirements because the dealer would not be conducting business at the unlicensed location. In addition, restricting dealers to placing a single vehicle at an unlicensed location would not undermine the purposes of the Act. The Board therefore proposes to amend its regulations to permit a dealer to place a single vehicle at an unlicensed location, with specific conditions to ensure that no sales activity occurs at the unlicensed location.

Description of Proposed Amendments

Storage of Vehicles

The proposed amendment defines storage of vehicles in contrast to the display or offer for sale of vehicles. A location is used solely for storage if it is identified as a storage only lot, if no salespersons are present at the lot to converse with potential customers, if the vehicles are not demonstrated for customers at the lot, if the public is not permitted access to the vehicles, if the dealer does not advertise his or her name or other, licensed, locations at the lot, and if potential customers may not acquire sales literature at the lot and cannot communicate with the dealer or his or her representative from the lot.

Single Vehicle Display

The proposed amendment requires that an unlicensed area used for display of a single vehicle may *not* contain the following: (i) more than one vehicle, and the vehicle displayed must be locked at all times; (ii) salespeople; (iii) a sales office; and (iv) sales agreement forms or other documents routinely used in vehicle sales transactions. This list reinforces the definition of display area given in §19.18(a)(3) in two ways. First, by not permitting inspection or test-driving of vehicles or dissemination of sales literature, this proposed regulation strives to reduce consumer confusion. A consumer encountering a car in a mall is more likely to consider the car an advertisement and not an item for sale if that consumer is unable to enter the vehicle or obtain sales information. Second, by clearly spelling out what may not be present in an area if the dealer wishes to display a car without licensing the area, §19.5(c) clarifies the rather lengthy definitions in § 19.18(a)(3).

Compliance with Executive Order 1996-1

The Board sent this proposed amendment to dealer organizations as required under the directives of Executive Order 1996-1. In addition, the Board considered the impact the regulation would have on the regulated community and on public safety and welfare. The Board finds that the proposed amendment addresses a compelling public interest as described in this Preamble and otherwise complies with Executive Order 1996-1.

Fiscal Impact and Paperwork Requirements

The amendments will have no adverse fiscal impact on the Commonwealth or its political subdivisions. The amendments will impose no additional paperwork requirements upon the Commonwealth, political subdivisions or the private sector.

Sunset Date

The Board continuously monitors the effectiveness of its regulations. Therefore, no sunset date has been assigned.

Regulatory Review

Pursuant to section 5(a) of the Regulatory Review Act (71 P.S. § 745.5(a)), the Board submitted a copy of this proposed regulation on February 12, 2003, to the Independent Regulatory Review Commission (IRRC), the Senate Consumer Protection and Professional Licensure Committee (SCP/PLC), and the House Professional Licensure Committee (HPLC). In addition to submitting the proposed rulemaking, the Board has provided IRRC, SCP/PLC, and HPLC with a copy of a detailed Regulatory Analysis Form prepared by the Commission/Board in compliance with Executive Order 1996-1, "Regulatory Review and Promulgation." A copy of this material is available to the public upon request.

Under section 5(g) of the Regulatory Review Act (71 P.S. § 745.5(g)), if IRRC has objections to any portion of the proposed rulemaking, it will notify the Board within 10 days of the close of the SCP/PLC and HPLC review period. The notification shall specify the regulatory review criteria which have not been met. The Regulatory Review Act specifies detailed procedures for review of objections by the Commission/Board, the General Assembly, and the Governor prior to publication of the regulations.

Public Comment

Interested persons are invited to submit written comments, suggestions, or objections regarding this proposed rulemaking to Teresa Woodall, Administrative Assistant, State Board of Vehicle Manufacturers, Dealers and Salespersons, P.O. Box 2649, Harrisburg, PA 17105-2649,

16A-605 Annex Proposed
Branch Lots
January 22, 2003

vehicle@pados.state.pa.us, within 30 days following publication of this proposed rulemaking in the *Pennsylvania Bulletin*.

Edward J. Cernic, Jr., Chairman
State Board of Vehicle Manufacturers,
Dealers and Salespersons

Annex A

TITLE 49. PROFESSIONAL AND VOCATIONAL STANDARDS
PART I. DEPARTMENT OF STATE
Subpart A. Professional and Occupational Affairs
CHAPTER 19. STATE BOARD OF VEHICLE
MANUFACTURERS, DEALERS AND SALESPERSONS

* * *

GENERAL PROVISIONS

* * *

§ 19.5. Branch lots.

(a) Facility. Unless otherwise exempted by the Act or this chapter, any location where a licensed vehicle dealer displays or offers vehicles for sale must be licensed and shall comply with the facilities requirements set forth in the Act and § 19.18 (relating to established place of business for dealers).

(b) Storage of vehicles. The storage of vehicles by a licensed vehicle dealer at an unlicensed location will not be considered to be the display or offer for sale of vehicles at that location if:

- (1) The lot is used solely for the storage of vehicles.
- (2) The lot is identified by a sign with the dealership name and a designation that the lot is for "storage only." The area may not otherwise be identified.
- (3) No salesperson is present at the lot other than as necessary to repair, recondition, inspect, or move any of the vehicles.
- (4) No salesperson engages in any demonstration or discussion of product features of the vehicles or discusses any terms of sale.
- (5) The public is not permitted access to any of the vehicles at the lot and the vehicles are not capable of being entered or operated (other than by criminal acts).
- (6) No sign or other marking at the lot or on any of the vehicles at the lot (except for a federally-mandated manufacturer's price sticker) indicates that any of the vehicles at the lot are available for sale at any other location;
- (7) No literature, such as but not limited to business cards or brochures, is available for potential customers to remove from the lot.
- (8) Potential customers are not able to communicate with a representative of the dealer from the lot, by telephone, e-mail, computer or otherwise, to negotiate the sale of, to obtain additional information concerning, or to otherwise discuss the vehicles at the unlicensed lot or other vehicles available for sale by the dealer.

(c) *Single vehicle display.* The placement of a single vehicle before the public will not be considered the buying, selling or exchanging of the vehicle, as defined in section 2 of the Act, 63 P.S. §818.2, if:

- (1) The placement is by a vehicle dealer licensed in this Commonwealth.
- (2) No more than one vehicle is placed at the location.
- (3) Any salesperson present at the location does not discuss the features of the vehicle or other vehicles handled by the dealership and does not negotiate or conclude the sale of the vehicle or another vehicle of the dealer.
- (4) There is no sales office at the location.
- (5) There are no sales agreement forms or other documents routinely used in vehicle sales transactions present at the location.
- (6) The vehicle is locked or otherwise not capable of being entered or operated by potential customers or others (other than by criminal acts).
- (7) The location is not at the licensed premises of any vehicle dealer or vehicle auction.

This subsection shall apply to the placement of automobiles, light trucks and motorcycles, but shall not apply to the placement of recreational vehicles, mobile homes, manufactured housing, and other vehicles not identified in this paragraph.



**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
STATE BOARD OF VEHICLE MANUFACTURERS, DEALERS
AND SALESPERSONS**

**Post Office Box 2649
Harrisburg, Pennsylvania 17105-2649
(717) 783-1697**

February 12, 2003

The Honorable John R. McGinley, Jr., Chairman
INDEPENDENT REGULATORY REVIEW COMMISSION
14th Floor, Harristown 2, 333 Market Street
Harrisburg, Pennsylvania 17101

Re: Proposed Regulation
State Board of Vehicle Manufacturers, Dealers and Salespersons
16A-605: Branch Lots

Dear Chairman McGinley:

Enclosed is a copy of a proposed rulemaking package of the State Board of Vehicle Manufacturers, Dealers and Salespersons pertaining to branch lots.

The Board will be pleased to provide whatever information the Commission may require during the course of its review of the rulemaking.

Sincerely,

A handwritten signature in black ink, appearing to read "Edward J. Cernic, Jr.", written in a cursive style.

Edward J. Cernic, Jr., Chairperson
State Board of Vehicle Manufacturers, Dealers
and Salespersons

EJC/TLM/kmh

Enclosure

cc: W. Raymond Ketner, Acting Deputy Commissioner
Bureau of Professional and Occupational Affairs
John T. Henderson, Jr., Chief Counsel
Department of State
Joyce McKeever, Deputy Chief Counsel
Department of State
Cynthia Montgomery, Regulatory Counsel
Department of State
Herbert Abramson, Senior Counsel in Charge
Department of State
Teresa Lazo-Miller, Counsel
State Board of Vehicle Manufacturers, Dealers and Salespersons
State Board of Vehicle Manufacturers, Dealers and Salespersons

TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE
REGULATORY REVIEW ACT

I.D. NUMBER: 16A-605
SUBJECT: Branch Lots
AGENCY: DEPARTMENT OF STATE

TYPE OF REGULATION

- X Proposed Regulation
Final Regulation
Final Regulation with Notice of Proposed Rulemaking Omitted
120-day Emergency Certification of the Attorney General
120-day Emergency Certification of the Governor
Delivery of Tolled Regulation
a. With Revisions b. Without Revisions

RECEIVED
NEW YORK
JAN 15 2003

FILING OF REGULATION

DATE	SIGNATURE	DESIGNATION
2-12-03	<i>Lou A. Clark</i>	HOUSE COMMITTEE ON PROFESSIONAL LICENSURE
3/12/03	<i>Mary Walmer</i>	SENATE COMMITTEE ON CONSUMER PROTECTION & PROFESSIONAL LICENSURE
2/12/03	<i>Elena Pagan</i>	INDEPENDENT REGULATORY REVIEW COMMISSION ATTORNEY GENERAL
2/12/03	<i>C. Lee-Burn</i>	LEGISLATIVE REFERENCE BUREAU

January 2, 2003