

MAILING ADDRESS: P.O. BOX 2955 • HARRISBURG, PA 17105-2955 SHIPPING ADDRESS: 1925 NORTH FRONT ST. • HARRISBURG, PA 17102

> 717-255-8311 • 800-242-3745 www.paa.org

PENNSYLVANIA AUTOMOTIVE ASSOCIATION

3166

April 3, 2017

Corinne Brandt, Regulatory Analyst **Independent Regulatory Review Commission** 333 Market Street, 14th Floor Harrisburg, PA 17101

7

RE: Regulation #18-466 (IRRC #3166) - Comments

Mrs. Brandt:

Since 1919 the Pennsylvania Automotive Association ("PAA") has represented the franchised, new vehicle dealers doing business in Pennsylvania. Currently, there are approximately 950 such dealers in the Commonwealth.

We appreciate very much the opportunity to comment and provide some insight into the proposed regulations #18-466 (IRRC #3166). PAA is familiar with the great amount of effort, and the variety of input, that has gone into the crafting of these regulations and commend those who took part in its development. We have comments on the regulations as outlined below.

67 Pa. Code §175.21

This proposed section of the regulations would require all stations that are applying for re-appointment after a suspension to enroll in the Department's e-Safety program indefinitely.

PAA agrees that requiring an electronic safety inspection program is appropriate for stations applying for re-appointment after a suspension for a certain period of time. However, there are a variety of providers that currently offer a compliant electronic safety inspection program that is acceptable by PennDOT that could provide assistance to a station after a suspension. PAA would recommend that this section be reworded as follows: "A station applying for re-appointment after a period of suspension shall enroll in the Department's e-Safety an electronic safety inspection program prior to re-appointment, and shall henceforth maintain its participation in the e-Safety an electronic safety inspection program for a <u>period of at least two years</u> as a condition of maintaining its Certificate of Appointment."

67 Pa. Code §175.51

This proposed section of the regulations outline the suspensions for 1st, 2nd, 3rd and subsequent violations. In several sections, the suspensions for violations have been doubled or tripled. Additionally, there are new violations that have been added with severe suspensions.

PAA agrees that it is of the utmost importance that inspection stations comply with the inspection regulations when performing an inspection. However, PAA is of the belief that the suspensions that have been doubled and tripled could put an inspection station out-of-business for what would equate to a 1st offense for a minor oversight in the inspection process. Act 165 of 2016, which became effective on January 3, 2017, amends the Vehicle Code to provide PennDOT flexibility in the variety of sanctions it can impose on inspection stations and mechanics, providing alternatives to suspensions. Specifically, PennDOT now has the authority to develop and implement a penalty schedule that would allow for the imposition of monetary penalties and warnings in lieu of suspensions when the Department deems it appropriate. Furthermore, Act 165 of 2016 specifically provides that the promulgation of such a penalty structure may be established by PennDOT by publishing a notice in the Pennsylvania Bulletin. Therefore, PAA requests that the Department explore these other potential options for violations such as warnings or monetary penalties for administrative errors and technical violations in lieu of the proposed sanctions.

Additionally, there are three new violations that have been added, that do not exist under the current regulations, which would carry a severe suspension for a 1^{st} offense. PAA is of the belief that the three new violations (subsections (ix), (x), and (xi)), once again, could ultimately put a station out-of business for a minor oversight. PAA requests that the Department explore other potential options for these new violations such as a warning for a first offense (as provided for elsewhere in the regulations for other violations) or monetary penalties which are now specifically authorized by Act 165.

When considering these proposed regulations, the PAA, on behalf of all new vehicle dealers, respectfully requests that you consider the suggestions provided above. PAA would be glad to provide additional information if it would be of assistance, please feel free to contact me 717-255-8311 (ex. 3379).

Thank you for taking our comments into consideration as these regulations are promulgated.

3//

Respectfully,

Chad Marsar

Vice President, Legal & Regulatory Affairs

CC: John Devlin, PAA President

Mark Stine, PAA Executive Vice President, Legislative & Public Affairs