## **Madison Brame**

From: Jaclyne Schnupp <jaclyne.schnupp@copart.com>

Sent: Thursday, June 8, 2023 3:36 PM

To: IRRC

**Subject:** Proposed Rulemaking, Pennsylvania Regulation 6571 (37 PA Code Ch 301) (IRRC #3373)

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Good afternoon,

I recently became aware of Proposed Rulemaking, Pennsylvania Regulation 6571 (37 PA Code Ch 301) (IRRC #3373). The changes that are trying to be made in this proposed legislation are far too broad and overreaching.

Furthermore, should this legislation be approved, it will cause serious financial harm to Copart, Inc. and other auto auctions in the Commonwealth, such as IAA. Copart, Inc., sells thousands of vehicles per year. A certified inspection to be completed on every vehicle will cause Copart, Inc. and other Auctions within the Commonwealth to incur exorbitant costs related to the inspection, facilities needed to perform the inspection and the additional staff needed to do so.

Other issues with the proposed legislation are:

- Vehicles that we auction are available for inspection by buyers ahead of the auction, an auctioneer or mechanic would be required to inspect all or nearly all vehicles we offer prior to advertising, adding to overall costs, building changes, and lost time.
- We would be required to make additional, open-ended disclosures about "material" conditions. This is redundant and unwarranted as our current disclosures advise the vehicles are as-is, where is.
- We would need to re-do "as-is" sales to comply with this regulation, adding to the time needed to sell the vehicles for the insurance companies.
- Private parties may use these regulations in private lawsuits, so enforcement is most likely to come from the plaintiff's bar.
- The disclosure requirement will be serious burden and even include salvage, wrecked or junk vehicles which makes absolutely no sense as these types of vehicles are issued a salvage certificate because they are no longer road worthy. There is no need for a costly secondary inspection to confirm this.

I suggest that this proposed legislation be changed so that any business licensed as an auction pursuant to Pennsylvania Law---63 P.S. § 818.303 whose primary business is the auction of vehicles on behalf of third parties shall not be subject to this certified inspection requirement. An amendment to the legislation could go something like this:

(5.1)(iii) Any business licensed as an auction pursuant to 63 P.S. § 818.303 whose primary business is the auction of vehicles on behalf of third parties shall not be subject to this certified inspection requirement.

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