

Know Your Responsibilities

The PA BOARD OF VEHICLES ACT 134

Manufacturer/Dealer Agreement

A manufacturer or distributor may not sell a recreational vehicle in this Commonwealth to or through a dealer without having first entered into a manufacturer/dealer agreement with a dealer which has been signed by both parties.



Read the full text of the Board of Vehicles Act 134, Chapter 5, pertaining to recreational vehicles, on the [Pennsylvania General Assembly website](#).



Sales Responsibility

Manufacturers designate sales responsibility exclusively assigned to a dealer in the manufacturer/dealer agreement and may not change the area or contract with another dealer for sale of the same line-make in the designated area for the duration of the agreement.

Sales Responsibility Changes

The area of sales responsibility may be reviewed or changed with the consent of both parties not less than 12 months after the execution of the manufacturer/dealer agreement.

Repurchase of Inventory

Manufacturer/dealer agreements terminated, canceled or not renewed by the dealer for just cause and without notice or cure for the claimed deficiencies, the manufacturer shall, at the dealer's option and within 45 days after termination, cancellation or nonrenewal, repurchase:

All new, untitled recreational vehicles that were acquired within 12 months before the effective date of the notice of termination, cancellation or nonrenewal that have not been used, except for demonstration purposes, and that have not been altered or damaged, at 100% of the net invoice cost, including transportation, less applicable rebates and discounts to the dealer.

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Any dealer protest of franchise establishment, relocation, termination or failure to renew action by a manufacturer or distributor who alleges a violation of the Act, must have a hearing with the final determination made within 120 days after the protest is filed.

Review of Court Decisions

Any parties to a protest hearing have the right to review the court's decision of competent jurisdiction pursuant to 2 Pa.C.S. § 701 (relating to scope of subchapter).

Liability

If the board determines there is no just cause to refuse the permit of a new or relocated dealership and the mfr. or distributor enter into a franchise establishing the new dealer, they are not liable for damages based on the establishment.

Transfer of Ownership/ Family Succession

Dealers who want to sell their business, must give the manufacturer or distributor written notice of at least 30 business days before the closing & provided all supporting documentation as may be reasonably required to determine any objection to the sale.

HAVING TROUBLE GETTING REIMBURSED FOR WARRANTY WORK?

What Dealers & Manufacturers Need to Know About Warranties and the PA Board of Vehicles Act 134



WARRANTY INFORMATION



Act 134

Effective October 24, 2019, Act 134 is an amendment to the Board of Vehicles Act, which provides better definitions of RVs and includes RV specific language for regulations.

Helpful Tip

If you get a part at no charge from a supplier, ask your distributor for the cost of the part and add that cost to the warranty claim, plus the 30% markup.

Adding that additional information will help the suppliers' warranty administrators process the payment faster.

Warranties

The warrantor shall reimburse the dealer for warranty parts at actual wholesale cost plus a minimum 30% handling charge and the cost, if any, of freight to return warranty parts to the warrantor.

Warranty Claims

The dealer shall submit warranty claims within 45 days after completing work.

Warrantor Obligations

Must provide the dealer with the schedule of compensation to be paid; the time allowance for the work and service. The schedule of compensation must include reasonable compensation for diagnostic work, as well as warranty labor.

Time Allowance & Compensation

Time allowances for the diagnosis and performance of warranty labor must be reasonable for the work to be performed. The compensation of a dealer for warranty labor may not be less than the POSTED labor rates actually charged by the dealer for similar nonwarranty labor as long as the rates are reasonable.

Warrantor Notification

If a dealer receives a written or verbal complaint from a consumer relative to a warranty repair, the dealer must notify the warranty about the complaint in writing within 10 days of receiving the complaint if the dealer cannot satisfy the consumer's complaint.

Warranty Disapprovals

Disapproval of warranty claims is required in writing within 45 days after the date of submission by the dealer in the manner and form prescribed by the warranty. Claims not specifically disapproved in writing within 45 days shall be construed to be approved and must be paid within 60 days of submission.



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