

## House Bill 2372: (Rep. Schmitt-R Blair County)

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- Vehicle wholesale auctions are a special class of private property. They handle thousands of dealership-owned vehicles every week that are bought and sold by licensed vehicle dealers to other vehicle dealers at the wholesale auction.
- Oftentimes vehicles are abandoned by auto dealers at wholesale vehicle auctions.
  - Sometimes vehicles are abandoned due to the dealership going out of business,
  - Or they auction a vehicle for sale with no success,
  - Most commonly dealerships purchase vehicles and then do not transport them to their dealerships by the deadline.
- House Bill 2372 seeks to a wholesale vehicle auction, or salvor, to begin the process to remove vehicles that have been abandoned by dealers without the auction's consent.
  - This legislation would also allow the auction to charge and collect storage fess as well as the releasing or recovering costs of the abandoned vehicles.
- The proposed legislation would allow the auction to sell the vehicle after certifying to PennDOT that the vehicle has been abandoned and obtaining an abandoned vehicle title.
  - This legislation allows the wholesale vehicle auction to recover the cost of storing, providing notice, obtaining title, and processing the vehicle.
  - The remaining proceeds of the sale shall be paid to PennDOT and transmitted to the State Treasurer for deposit in the Motor License Fund (MLF).
- House Bill 2372 also establishes a removal process in § 7311.3 (c) where the wholesale vehicle auction can use a salvor to remove the vehicle under existing law or, if the auction intends to sell or legally obtain ownership, it establishes a process to do that.
  - The salvor shall recover the appropriate costs of towing and storage.
  - The wholesale vehicle auction shall be reimbursed the cost of storing, providing notice, obtaining title, and processing related to the vehicle when the additional funds are available as a result of the salvor's auction.
  - The remaining funds shall be paid to PennDOT and deposited in the Motor License Fund (MLF).
- Please help to combat abandoned vehicles at wholesale vehicle auctions by supporting House Bill 2372.