

<p>New York State Department of Transportation Central Permit Office 50 Wolf Road, 1st Floor Albany, New York 12232</p> 	<h2 style="margin: 0;">DIVISIBLE LOAD NOTICE</h2> <p style="margin: 0;">DLN# 10 - 02</p>
	<p>SUBJECT: <i>REVISED</i></p> <p>Sale of Downstate Grandfather Rights and Businesses with Downstate Rights.</p>
	<p>Date: 6/21/2010 Issued by: Will Morris – DL Unit Supervisor</p> <p>Supersedes: DLN 09-09</p>

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GENERAL:

In preparation for automating the Department’s divisible load permitting process, an audit was performed of all known downstate permitting accounts to determine the accuracy of the data. An Audit Finding letter from the Department would be sent to all downstate account holders to provide a list of vehicles with grandfather rights and their current permit status. It will also provide the amount of any excess banked weight that may exist related to past permit operations.

The purpose of this document is designed to help guide the downstate account holder in managing their continued operation or with future decisions such as the sale or purchase of vehicles and/or active truck permitting companies with downstate grandfather rights. In the latter case, this letter can assist the seller in making informed decisions about the sale of a vehicle or their company and a purchaser may ask to request to see the letter, to ensure the vehicle and or company they are purchasing, has valid downstate grandfather rights.

Since the sale of companies and vehicles with downstate rights can be complicated, we request that customers call the Central Permit Office at 518-485-2999, to set up an appointment with a divisible load permit technician so all paperwork and proper documentation can be reviewed. Transactions of this nature will not be handled at the walk-in window. If you intend to sell or purchase a company or vehicle with downstate grandfather rights, please review the information provided below first.

Selling a single Power Unit with Grandfather Rights:

- Power Unit must have been actively permitted for the past five (5) consecutive years, at the time of the sale. (*New York State Vehicle and Traffic Law, Section 385 15 (f)*).
- Purchaser must have current downstate rights (no active downstate permits but banked weight) or active downstate permits on other vehicles within their fleet. (*New York State Vehicle and Traffic Law, Section 385 15 (f)*).
- Seller must provide the original and signed grandfather rights certificate and permit to purchaser of the vehicle. If the seller is an owner operator with one (1) truck only, this will be considered the sale of the sellers business.
- Grandfather rights that have been banked cannot be sold as a single vehicle; they can only be sold as part of a sale of the current owners’ entire business.
- A grandfather rights certificate that has been marked as “Non-Transferrable “ cannot be sold to any other person or company, cannot be banked and may only be kept active by the current owner.

Purchasing a single Power Unit with Grandfather Rights:

- A grandfather rights certificate that has been marked as “Non-Transferrable “ cannot be sold to any other person or company, cannot be banked and may only be kept active by the current owner.
- Purchaser MUST have valid downstate rights. (*New York State Vehicle and Traffic Law, Section 385 15 (f)*).
- The Power Unit must have been actively permitted for the past five (5) consecutive years, at the time of the sale. (*New York State Vehicle and Traffic Law, Section 385 15 (f)*). Seller should provide proof of such to the purchaser.

Sale of a Company with Downstate Rights and/or Banked Weight:

- The inclusion of downstate rights and/or banked weight with the sale of a trucking company will only be considered if the selling company has at least one vehicle and permit that has been active for 5 consecutive years preceding the sale of the company.
- The inclusion of downstate rights and/or banked weight with the sale of a trucking company will not be supported if the above condition is not met.
- A grandfather rights certificate that has been marked as “Non-Transferrable “ cannot be sold to any other person or company, cannot be banked and may only be kept active by the current owner.
- Seller must provide a signed letter of sale showing:
 - The sellers trucking business has been sold to the purchaser. Price of sale does not need to be included. If seller is an owner operator with one (1) truck only, it should be stated as such in the letter.
 - A listing of all currently permitted vehicles (at least one permit must have been active for 5 consecutive years preceding the sale), including; year, make, Vehicle Identification Numbers (VIN), permit numbers and corresponding grandfather certificate numbers.
 - Clearly state that any and all banked weight is part of the sale.
- Seller must provide all applicable grandfather rights certificates and corresponding permits to the purchaser.
- Seller must complete, sign and provide to the purchaser an Account Maintenance form requesting their (sellers) account be closed as a result of the sale.
- If the Sellers account has a status of “VOID” in the Central Permit Office computer system any and all downstate rights and/or permits, will also be considered null and void and Non-Transferrable to the purchaser.

Purchase of a company with Downstate Rights and/or Banked weight:

- When purchasing an entire company, the purchaser does NOT have to have current downstate rights or permits.
- The inclusion of downstate rights and/or banked weight with the sale of a trucking company will only be considered if the sellers company has at least one vehicle that has been actively permitted for the previous 5 consecutive years prior to the sale of the company.
- The inclusion of downstate rights and/or banked weight with the sale and transfer of Downstate permit rights will not be supported if the above condition is not met.
- A grandfather rights certificate that has been marked as “Non-Transferrable “ cannot be sold to any other person or company, cannot be banked and may only be kept active by the current owner.
- The purchaser must obtain, from the seller, the documents as listed above under, “Sale of a Company with Downstate Rights and/or Banked Weight”.
- The purchaser must provide a letter to the Department stating that they have purchased the sellers company and all it’s assets including vehicles, associated permits, grandfather rights certificates and any banked weight that may exist for that company.

REFERENCE:

1. New York State Vehicle and Traffic Law, Section 385 15 (f)
2. New York State Code of Rules and Regulations, Section 154-2.16 (b)