THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 852 Session of

INTRODUCED BY HANBIDGE, HOHENSTEIN, HILL-EVANS, MADDEN, GUENST, SANCHEZ, CIRESI, BURGOS, FLEMING, NEILSON, FREEMAN, KINKEAD, N. NELSON, WARNER AND CERRATO, APRIL 10, 2023

REFERRED TO COMMITTEE ON TRANSPORTATION, APRIL 10, 2023

AN ACT

- Amending the act of March 28, 1984 (P.L.150, No.28), entitled 1
- "An act relating to the rights of purchasers and lessees of 2
- defective new motor vehicles," further providing for 3
- definitions; and making editorial changes.
- 5 The General Assembly of the Commonwealth of Pennsylvania
- 6 hereby enacts as follows:
- Section 1. Sections 2, 3, 4(a), 5, 6(b)(3), 8 and 10 of the 7
- act of March 28, 1984 (P.L.150, No.28), known as the Automobile
- Lemon Law, are amended to read:
- Section 2. Definitions. 10
- 11 The following words and phrases when used in this act shall
- have the meanings given to them in this section unless the 12
- context clearly indicates otherwise: 13
- 14 "Dealer" or "motor vehicle dealer." A person in the business
- 15 of buying, selling, leasing or exchanging motor vehicles or
- 16 recreational vehicles.
- 17 "Department." The Department of Transportation of the
- Commonwealth. 18

- 1 "House coach." A motor vehicle with an enclosed area that is
- 2 <u>designed</u>, constructed or equipped for use, either permanently or
- 3 temporarily, as a mobile dwelling place, sleeping place or
- 4 <u>camping accommodation</u>. A house coach includes:
- 5 (1) a motor home;
- 6 (2) a slide-in cabin;
- 7 (3) a sleeping unit specifically designed for mounting
- 8 <u>on a pickup truck; and</u>
- 9 <u>(4) a sleeping cabin designed for use on trucks and</u>
- 10 <u>truck tractors operated for heavy-duty, long-distance</u>
- 11 <u>hauling.</u>
- 12 "House trailer." Any of the following:
- 13 (1) A trailer that is designed, constructed and equipped
- for use, either permanently or temporarily, as a mobile
- dwelling place or sleeping place and is equipped for use as a
- 16 <u>conveyance on streets and highways.</u>
- 17 (2) A trailer containing a chassis and exterior shell
- 18 designed and constructed for use as a house trailer, as
- defined in paragraph (1), but which is used permanently or
- temporarily for advertising, sales, display or promotion of
- 21 merchandise or services or for any other commercial purpose
- 22 except the transportation of property.
- "Manufacturer." Any person engaged in the business of
- 24 constructing or assembling new and unused motor vehicles or
- 25 recreational vehicles or engaged in the business of importing
- 26 new and unused motor vehicles or recreational vehicles into the
- 27 United States for the purpose of selling or distributing new and
- 28 unused motor vehicles or recreational vehicles to motor vehicle
- 29 dealers in this Commonwealth.
- "Manufacturer's express warranty" or "warranty." The written

- 1 warranty of the manufacturer of a new automobile or recreational
- 2 <u>vehicle</u> of its condition and fitness for use, including any
- 3 terms or conditions precedent to the enforcement of obligations
- 4 under the warranty.
- 5 "Motor home." A motor vehicle designed or adapted for use as
- 6 <u>a mobile dwelling place or office, except a motor vehicle</u>
- 7 <u>equipped with a truck-camper.</u>
- 8 "New motor vehicle." Any new and unused self-propelled,
- 9 motorized conveyance driven upon public roads, streets or
- 10 highways which is designed to transport not more than 15
- 11 persons, which was purchased or leased and is registered in the
- 12 Commonwealth or purchased or leased elsewhere and registered for
- 13 the first time in the Commonwealth and is used, leased or bought
- 14 for use primarily for personal, family or household purposes,
- 15 including a vehicle used by a manufacturer or dealer as a
- 16 demonstrator or dealer car prior to its sale. The term does not
- 17 include motorcycles[, motor homes] or off-road vehicles.
- 18 "Nonconformity." A defect or condition which substantially
- 19 impairs the use, value or safety of a new motor vehicle and does
- 20 not conform to the manufacturer's express warranty.
- 21 "Purchaser." A person, or his successors or assigns, who has
- 22 obtained possession or ownership of a new motor vehicle or
- 23 <u>recreational vehicle</u> by lease, transfer or purchase or who has
- 24 entered into an agreement or contract for the lease or purchase
- 25 of a new motor vehicle or recreational vehicle which is used,
- 26 leased or bought for use primarily for personal, family or
- 27 household purposes.
- 28 <u>"Recreational trailer." A trailer designed or adapted to</u>
- 29 provide temporary living quarters for noncommercial
- 30 <u>recreational</u>, <u>camping or travel use</u>.

- 1 <u>"Recreational vehicle."</u> Any new and unused self-propelled
- 2 motorized conveyance or vehicle to be towed by a motor vehicle
- 3 that is purchased or leased for the first time in this
- 4 <u>Commonwealth and that is registered in this Commonwealth if</u>
- 5 required by the department. This term includes, but is not
- 6 limited to:
- 7 <u>(1) a house coach;</u>
- 8 <u>(2) a house trailer;</u>
- 9 <u>(3) a motor home;</u>
- 10 (4) a recreational trailer; or
- 11 <u>(5) a truck camper.</u>
- 12 "Truck camper." A structure designed, used or maintained
- 13 primarily to be loaded or affixed to a motor vehicle to provide
- 14 a mobile dwelling, sleeping place, office or commercial space.
- 15 Section 3. Disclosure.
- 16 The Attorney General shall prepare and publish in the
- 17 Pennsylvania Bulletin a statement which explains a purchaser's
- 18 rights under this law. Manufacturers shall provide to each
- 19 purchaser at the time of original purchase of a new motor
- 20 vehicle or recreational vehicle a written statement containing a
- 21 copy of the Attorney General's statement and a listing of zone
- 22 offices, with addresses and phone numbers, which can be
- 23 contacted by the purchaser for the purpose of securing the
- 24 remedies provided for in this act.
- 25 Section 4. Repair obligations.
- 26 (a) Repairs required.--The manufacturer of a new motor
- 27 vehicle or recreational vehicle sold or leased and registered in
- 28 the Commonwealth shall repair or correct, at no cost to the
- 29 purchaser, a nonconformity which substantially impairs the use,
- 30 value or safety of said motor vehicle or recreational vehicle

- 1 which may occur within a period of one year following the actual
- 2 delivery of the vehicle to the purchaser, within the first
- 3 12,000 miles of use or during the term of the warranty,
- 4 whichever may first occur.
- 5 * * *
- 6 Section 5. Manufacturer's duty for refund or replacement.
- 7 If the manufacturer fails to repair or correct a
- 8 nonconformity after a reasonable number of attempts, the
- 9 manufacturer shall, at the option of the purchaser, replace the
- 10 motor vehicle or recreational vehicle with a comparable motor
- 11 vehicle or recreational vehicle of equal value or accept return
- 12 of the vehicle from the purchaser and refund to the purchaser
- 13 the full purchase price or lease price, including all collateral
- 14 charges, less a reasonable allowance for the purchaser's use of
- 15 the vehicle not exceeding 10¢ per mile driven or 10% of the
- 16 purchase price or lease price of the vehicle, whichever is less.
- 17 Refunds shall be made to the purchaser and lienholder, if any,
- 18 as their interests may appear. A reasonable allowance for use
- 19 shall be that amount directly attributable to use by the
- 20 purchaser prior to his first report of the nonconformity to the
- 21 manufacturer. In the event the consumer elects a refund, payment
- 22 shall be made within 30 days of such election. A consumer shall
- 23 not be entitled to a refund or replacement if the nonconformity
- 24 does not substantially impair the use, value or safety of the
- 25 vehicle or the nonconformity is the result of abuse, neglect or
- 26 modification or alteration of the motor vehicle by the
- 27 purchaser.
- 28 Section 6. Presumption of a reasonable number of attempts.
- 29 * * *
- 30 (b) Time period extension.--

- 1 * * *
- 2 (3) Paragraphs (1) and (2) shall apply only if the
- 3 manufacturer, its agent or authorized dealer lends a motor
- 4 vehicle <u>or recreational vehicle</u> to the owner at no charge
- 5 during the period of time under paragraphs (1) and (2),
- 6 respectively, that the owner's vehicle is with the
- 7 manufacturer, its agent or authorized dealer for repair.
- 8 Section 8. Civil cause of action.
- 9 Any purchaser of a new motor vehicle <u>or recreational vehicle</u>
- 10 who suffers any loss due to nonconformity of such vehicle as a
- 11 result of the manufacturer's failure to comply with this act may
- 12 bring a civil action in a court of common pleas and, in addition
- 13 to other relief, shall be entitled to recover reasonable
- 14 attorneys' fees and all court costs.
- 15 Section 10. Resale of returned motor vehicle or recreational
- vehicle.
- 17 (a) Vehicles may not be resold, transferred or leased at
- 18 retail or wholesale. -- If a motor vehicle or recreational vehicle
- 19 has been repurchased under the provisions of this act or a
- 20 similar statute of another state, it may not be resold,
- 21 transferred or leased in this State unless:
- 22 (1) The manufacturer provides the same express warranty
- it provided to the original purchaser, except that the term
- of the warranty need only last for 12,000 miles or 12 months
- after the date of resale, transfer or lease, whichever is
- earlier.
- 27 (2) The manufacturer provides the purchaser, lessee or
- transferee with a written statement on a separate piece of
- 29 paper, in ten point all capital type, in substantially the
- 30 following form:

- "IMPORTANT: THIS VEHICLE WAS REPURCHASED BY THE

 MANUFACTURER BECAUSE IT DID NOT CONFORM TO THE

 MANUFACTURER'S EXPRESS WARRANTY AND THE NONCONFORMITY WAS

 NOT CURED WITHIN A REASONABLE TIME AS PROVIDED BY

 PENNSYLVANIA LAW."
 - (3) The motor vehicle <u>or recreational vehicle</u> dealer, lessor or transferor clearly and conspicuously discloses the manufacturer's written notification prior to the resale or lease of the repurchased motor vehicle <u>or recreational</u> vehicle.
 - (4) The motor vehicle <u>or recreational vehicle</u> dealer, lessor or transferor obtains a signed receipt certifying in a conspicuous and understandable manner that the written statement required under this subsection has been provided. Access to the receipt shall be maintained for four years. The Attorney General shall approve the form and content of the disclosure statement supplied by the manufacturer.
 - (5) The manufacturer, dealer, lessor or transferor applies for and receives the designation of a branded title from the department.
- The department shall update its records and issue a title with a designation indicating that the motor vehicle or recreational vehicle was repurchased under the provisions of this act. The department shall forward to subsequent purchasers or lienholders, in accordance with 75 Pa.C.S. §§ 1107 (relating to delivery of certificate of title) and 1132.1 (relating to perfection of security interest in a vehicle), a certificate of title which indicates that the vehicle was branded under the provisions of this act. The department shall determine the exact form and content of the

- 1 title brand.
- 2 The provisions of this section apply to the resold, transferred
- 3 or leased motor vehicle or recreational vehicle for the full
- 4 term of the warranty required under this subsection. Failure of
- 5 the manufacturer, dealer, lessor or transferor to notify its
- 6 immediate purchaser of the requirements of this section subjects
- 7 the manufacturer, dealer, lessor or transferor to pay to the
- 8 Commonwealth a civil penalty of \$2,000 per violation and, at the
- 9 option of the purchaser, to replace the motor vehicle or
- 10 <u>recreational vehicle</u> with a comparable motor vehicle <u>or</u>
- 11 recreational vehicle of equal value or accept return of the
- 12 vehicle from the purchaser and refund to the purchaser the full
- 13 purchase price, including all collateral charges, less a
- 14 reasonable allowance for the purchaser's use of the vehicle not
- 15 exceeding 10¢ per mile driven or 10% of the purchase price of
- 16 the vehicle, whichever is less.
- 17 (b) Returned vehicles not to be resold. -- Notwithstanding the
- 18 provisions of subsection (a), if a new motor vehicle or
- 19 <u>recreational vehicle</u> has been returned under the provisions of
- 20 this act or a similar statute of another state because of a
- 21 nonconformity resulting in a complete failure of the braking or
- 22 steering system of the motor vehicle or recreational vehicle
- 23 likely to cause death or serious bodily injury if the vehicle
- 24 was driven, the motor vehicle or recreational vehicle may not be
- 25 resold in this Commonwealth.
- 26 (c) Agreement waiving, limiting or disclaiming rights.--Any
- 27 agreement entered into by a purchaser that waives, limits or
- 28 disclaims the rights set forth in this act is void as contrary
- 29 to public policy. Where applicable, the rights set forth in this
- 30 act shall extend to a subsequent purchaser, lessee or transferee

- 1 of the motor vehicle or recreational vehicle.
- 2 Section 2. This act shall take effect in 60 days.