

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 511 Session of
1997

INTRODUCED BY E. Z. TAYLOR, HENNESSEY, SAYLOR, MELIO,
YOUNGBLOOD, LEDERER, RUBLEY, FICHTER, BROWN, TRELLO, SHANER,
BELARDI, COLAFELLA AND ROBERTS, FEBRUARY 12, 1997

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, FEBRUARY 12, 1997

AN ACT

1 Amending the act of December 17, 1968 (P.L.1224, No.387),
2 entitled "An act prohibiting unfair methods of competition
3 and unfair or deceptive acts or practices in the conduct of
4 any trade or commerce, giving the Attorney General and
5 District Attorneys certain powers and duties and providing
6 penalties," further defining "unfair methods of competition"
7 and "unfair or deceptive acts or practices"; and further
8 providing for regulations.

9 The General Assembly of the Commonwealth of Pennsylvania
10 hereby enacts as follows:

11 Section 1. Section 2(4)(xxi) of the act of December 17, 1968
12 (P.L.1224, No.387), known as the Unfair Trade Practices and
13 Consumer Protection Law, reenacted and amended November 24, 1976
14 (P.L.1166, No.260) and amended December 4, 1996 (P.L. ,
15 No.146), is amended and the clause is amended by adding a
16 subclause to read:

17 Section 2. Definitions.--As used in this act.

18 * * *

19 (4) "Unfair methods of competition" and "unfair or deceptive
20 acts or practices" mean any one or more of the following:

1 * * *

2 (xxi) Advertising for the sale of new or used automobiles
3 which uses disclaimers which tend to confuse, contradict,
4 unreasonably limit or materially modify a principal
5 advertisement or which fails to disclose material facts,
6 including, but not limited to, disclaimers, qualifications,
7 limitations, conditions, exclusions or restrictions applicable
8 to the sale of any automobile or automobiles. Specific examples
9 of deceptive practices include, but are not limited to:

10 (A) the use of one or more footnotes or asterisks, which
11 alone or in combination modify the principal message;

12 (B) the use of any print in type size so small as not to be
13 easily readable;

14 (C) the use of color contrasts which render the text
15 difficult to read;

16 (D) the use of inaccurate photographs or illustrations in
17 describing specific automobiles;

18 (E) the use of unexplained abbreviations or jargon which is
19 not readily understood by the general public; and

20 (F) the use of bait and switch advertising.

21 In addition, any advertised inducement relating to price,
22 equipment, warranty, trade-in allowance, rebate, credit term or
23 availability, or the giving of free gifts which does not clearly
24 and completely disclose all the conditions or criteria to be met
25 for the purchaser to be eligible to take advantage of the
26 inducement is prohibited;

27 [(xxi)] (xxii) Engaging in any other fraudulent conduct
28 which creates a likelihood of confusion or of misunderstanding.

29 Section 2. Section 3.1 of the act is amended to read:

30 Section 3.1. Regulations.--(a) The Attorney General may

1 adopt, after public hearing, such rules and regulations as may
2 be necessary for the enforcement and administration of this act.
3 Such rules and regulations when promulgated pursuant to the act
4 of July 31, 1968 (P.L.769, No.240), known as the "Commonwealth
5 Documents Law," shall have the force and effect of law.

6 (b) The Attorney General shall promulgate rules and
7 regulations for the specific enforcement of the prohibitions
8 against deceptive advertising practices for new and used
9 automobile sales pursuant to subclause (xviii) of clause (4) of
10 section 2 of this act.

11 Section 3. This act shall take effect in 60 days.