
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 674

Session of
1985

INTRODUCED BY BURNS, GREENWOOD AND FOX, MARCH 25, 1985

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, MARCH 25, 1985

AN ACT

1 Relating to the rights of purchasers of defective used motor
2 vehicles.

3 The General Assembly of the Commonwealth of Pennsylvania
4 hereby enacts as follows:

5 Section 1. Short title.

6 This act shall be known and may be cited as the Used Car
7 Lemon Law.

8 Section 2. Definitions.

9 The following words and phrases when used in this act shall
10 have the meanings given to them in this section unless the
11 context clearly indicates otherwise:

12 "Dealer." A person or business which sells or offers for
13 sale a used vehicle after selling or offering for sale three or
14 more used vehicles in the previous 12-month period, the term
15 does not include a bank or a financial institution, a business
16 selling a used vehicle to an employee of that business, nor a
17 lessor selling a leased vehicle to that vehicle's lessee or an

1 employee of the lessee.

2 "Purchaser." A person, and the person's successors in
3 interest, who entered into an agreement or contract for the
4 purchase of a used motor vehicle which is used or bought for use
5 primarily for personal, family or household purposes.

6 "Repair insurance." A contract to refund, repair, replace,
7 maintain or take other action with respect to a used motor
8 vehicle, which contract is in writing, is for a period of time
9 or specific mileage and is regulated by the Insurance
10 Department.

11 "Service contract." A contract to refund, repair, replace,
12 maintain or take other action with respect to a used motor
13 vehicle, which contract is in writing, is for a period of time
14 or specific mileage and is provided at an extra charge beyond
15 the price of the used motor vehicle.

16 "Used motor vehicle." A passenger motor vehicle which has
17 been driven more than the limited use necessary in moving or
18 road testing a new vehicle prior to delivery and which is sold
19 for \$2,000 or more. The term does not include motorcycles, motor
20 homes or off-road vehicles.

21 "Warranty." An undertaking in writing, in connection with
22 the sale by a dealer of a used motor vehicle, to refund, repair,
23 replace, maintain or take other action with respect to the used
24 motor vehicle which is provided at no extra charge beyond the
25 price of the used motor vehicle.

26 Section 3. Disclosure.

27 The Attorney General shall prepare and publish in the
28 Pennsylvania Bulletin a statement which explains the purchaser's
29 rights under this act. Dealers shall provide to each purchaser
30 at the time of the original purchase of a used motor vehicle a

1 written statement containing a copy of the Attorney General's
2 statement and a listing of zone offices, with addresses and
3 telephone numbers, which can be contacted by the purchaser for
4 the purpose of securing the remedies provided for in this act.

5 Section 4. Warranty.

6 (a) Time.--A dealer may not sell a used motor vehicle to a
7 purchaser without giving the purchaser a written warranty, which
8 shall apply, at minimum, for the following terms:

9 (1) If the used motor vehicle has 24,000 miles or less,
10 the warranty shall be 90 days or the attainment of 3,000
11 miles, whichever occurs first.

12 (2) If the used motor vehicle has more than 24,000 miles
13 but less than 36,000 miles, the warranty shall be 60 days or
14 the attainment of 2,000 miles, whichever occurs first.

15 (3) If the used motor vehicle has 36,000 miles or more,
16 the warranty shall be 30 days or the attainment of 1,000
17 miles, whichever occurs first.

18 (b) Content.--The warranty shall require the dealer, upon
19 notice by the purchaser of a malfunction or defect during the
20 term of the warranty, to either correct the malfunction or
21 defect, or, at the dealer's option, reimburse the purchaser for
22 the cost incurred in repairing the malfunction or defect,
23 notwithstanding the fact that repairs are made after the
24 expiration of the warranty period. Covered parts shall at least
25 include the following items:

26 (1) Engine. All lubricated parts, water pump, fuel pump,
27 manifolds, engine block, cylinder head, rotary engine
28 housings and flywheel.

29 (2) Transmission. Transmission case, internal parts and
30 the torque converter.

1 (3) Drive axle. Front and rear drive axle housings and
2 internal parts, axle shafts, propeller shafts and universal
3 joints.

4 (4) Brakes. Master cylinder, vacuum assist booster,
5 wheel cylinders, hydraulic lines and fittings and disc brake
6 calipers.

7 (5) Radiator.

8 (6) Steering. The steering gear housing and all internal
9 parts, power steering pump, valve body, piston and rack.

10 (7) Starting. Alternator, generator, starter and
11 ignition system. The battery is excluded under this
12 paragraph.

13 (c) Notice of defects.--The warranty shall include, in
14 conspicuous writing, known malfunctions or defects of which a
15 reasonable dealer with the same or similar knowledge and
16 experience in the region as this dealer would have knowledge.
17 The duty to give notice arises when the dealer knows or has
18 reason to know of a malfunction or defect and fails to discover
19 the malfunction or defect; fails to give the purchaser notice of
20 the malfunction or defect; or fails to repair, correct, or
21 remedy the malfunction or defect.

22 (d) Failure to honor warranty.--

23 (1) A dealer fails to honor a warranty if, within the
24 period specified in subsection (a), the dealer fails to
25 correct a malfunction or defect which does all of the
26 following:

27 (i) Substantially impairs the use, value or safety
28 of the used motor vehicle.

29 (ii) Does not conform to the warranty.

30 (2) If a dealer fails to honor a warranty, the dealer,

1 at the option of the purchaser, shall replace the used motor
2 vehicle with a comparable motor vehicle or accept return of
3 the used motor vehicle from the purchaser and refund to the
4 purchaser the purchase price, including sales taxes, license
5 fees and similar governmental charges and excluding a
6 reasonable allowance for damage not attributable to normal
7 wear or improvements. A dealer shall comply with this
8 paragraph within 30 days of the dealer's failure to honor a
9 warranty.

10 (3) Refunds under paragraph (2) shall be made to the
11 purchaser or lienholder, as applicable, as their interests
12 appear on the certificate of title under 75 Pa.C.S. Ch. 11
13 (relating to certificate of title and security interests).

14 (4) It shall be an affirmative defense to a claim under
15 this subsection that:

16 (i) The malfunction or defect does not substantially
17 impair the value.

18 (ii) The malfunction or defect is the result of
19 abuse, neglect or unauthorized modifications or
20 alterations of the used motor vehicle.

21 Section 5. Presumption of reasonable number of attempts.

22 It shall be presumed that a dealer has had a reasonable
23 opportunity to correct a malfunction or defect in a used motor
24 vehicle, if one of the following applies:

25 (1) The same nonconformity, defect or condition has been
26 subject to repair three or more times by the dealer or his
27 agent within the warranty period, but the malfunction or
28 defect continues to exist.

29 (2) The vehicle is out of service by reason of repair of
30 the same malfunction or defect for a cumulative total of 15

1 days or more during the warranty period.

2 Section 6. Extending time of the warranty.

3 (a) Service.--The term of any warranty, service contract or
4 repair insurance shall be extended by any time period during
5 which the used motor vehicle is in the possession of the dealer
6 or an authorized agent for the purpose of repairing the used
7 motor vehicle under the terms and obligations of the warranty,
8 service contract or repair insurance.

9 (b) Act of God.--The term of any warranty, service contract
10 or repair insurance, and the 15-day out-of-service period shall
11 be extended by any time during which repair services are not
12 available to the consumer because of a war, invasion or strike,
13 or fire, flood or other natural disaster.

14 Section 7. Nonwaiver.

15 (a) General rule.--An agreement entered into by a purchaser
16 for the purchase of a used motor vehicle which waives, limits or
17 disclaims the rights set forth in this act shall be void as
18 contrary to public policy. If a dealer fails to give the
19 warranty required by this act, the dealer nevertheless shall be
20 deemed to have given the warranty as a matter of law. All rights
21 under this act shall inure to a subsequent transferee of a used
22 motor vehicle during the warranty period.

23 (b) Other law.--Nothing in this section shall limit the
24 rights or remedies which are otherwise available to a purchaser
25 under the laws of this Commonwealth.

26 Section 8. Informal dispute settlement.

27 (a) Exhaustion of remedies.--If a dealer has established an
28 informal dispute settlement procedure which complies in all
29 respects with the provisions of 16 CFR Part 703 (relating to
30 informal dispute settlement procedures), section 4(d)(2) shall

1 not apply to a purchaser who has not first resorted to that
2 procedure.

3 (b) Effect.--A purchaser who has resorted to an informal
4 dispute settlement procedure is not precluded from seeking the
5 rights or remedies available by law.

6 Section 9. Enforcement.

7 (a) Cause of action.--A person who has been injured by
8 reason of a violation of this act may bring an action to enjoin
9 the unlawful act or practice and to recover actual damages or
10 \$50, whichever is greater. The court may, in its discretion,
11 increase the award of damages to an amount not to exceed three
12 times the actual damages, up to \$1,000, for each violation if
13 the court finds that the defendant willfully or knowingly
14 violated this act. The court may award reasonable attorney fees
15 to a prevailing plaintiff.

16 (b) Attorney General.--Upon violation of this act, an
17 application may be made by the Attorney General in the name of
18 the Commonwealth to a court of competent jurisdiction to issue
19 an injunction and, upon notice to the defendant of not less than
20 five days, to enjoin the continuance of the violation. If it
21 appears to the satisfaction of the court that the defendant has
22 violated the provisions of this section, an injunction enjoining
23 further violation may be issued by the court without requiring
24 proof that any person has, in fact, been injured by the
25 violation.

26 (c) Civil penalty and investigation.--Whenever the court
27 determines that a violation of this section has occurred, it may
28 impose a civil penalty of not more than \$1,000 for each
29 violation. In connection with an application made under this
30 subsection, the Attorney General is authorized to take proof and

1 to make a determination of the relevant facts and to issue
2 subpoenas in a form similar to that prescribed by the
3 Pennsylvania Rules of Civil Procedure.

4 Section 10. Limitation of action.

5 An action brought under this act shall be commenced within
6 four years of the date of original delivery of the used motor
7 vehicle to the purchaser.

8 Section 11. Effective date.

9 This act shall take effect in 60 days.