

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 245

Session of
1987

INTRODUCED BY LLOYD, FOX, RIEGER, VROON, HAYDEN, MARKOSEK,
COWELL, MURPHY, JOSEPHS, NAHILL, MAINE, STUBAN, WOZNIAK,
WAMBACH, McCALL, HARPER, DEAL, MILLER, LINTON, REBER,
KUKOVICH, BOYES AND SAURMAN, FEBRUARY 9, 1987

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
MARCH 17, 1987

AN ACT

1 Providing for the right to cancel the purchase of timeshares.

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

4 Section 1. Definitions.

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

8 "Purchase contract." A contract for the use and occupancy of
9 a timeshare.

10 "Timeshare." The right, however evidenced or documented, to
11 use and occupy one or more units on a periodic basis according
12 to an arrangement allocating use and occupancy rights of that
13 unit or those units between other similar users.

14 "Unit." A building or portion thereof permanently affixed to
15 real property and designated for separate occupancy or a
16 campground or portion thereof designated for separate occupancy.

1 Section 2. Right to cancel purchase of timeshare.

2 A purchaser shall have the right to cancel the purchase of a
3 timeshare until midnight of the seventh day following the date
4 on which the purchaser executed the purchase contract.

5 Section 3. Provision in purchase contract.

6 The right of cancellation shall be set forth conspicuously in
7 boldface type of at least ten point in size immediately above
8 the signature of the purchaser on the purchase contract in
9 substantially the following form:

10 "You, the purchaser, may cancel this purchase at any
11 time prior to midnight of the seventh day following the
12 date of this transaction. If you desire to cancel, you
13 are required to notify the seller, in writing, at
14 (address). Such notice shall be GIVEN BY CERTIFIED RETURN <—
15 RECEIPT MAIL, AND SHALL BE effective upon being
16 postmarked by the United States Postal Service or upon
17 deposit of the notice with any bona fide means of
18 delivery WHICH PROVIDES YOU WITH A RECEIPT." <—

19 This clause is to be separately initialed by the purchaser.

20 Copies of all documents which place an obligation upon a
21 purchaser shall be given to the purchaser upon execution by the
22 purchaser.

23 Section 4. Notice of cancellation.

24 Notice of cancellation shall be given by ~~mail or by~~ <—
25 ~~telegraphic communication~~ CERTIFIED RETURN RECEIPT MAIL OR BY <—
26 ANY OTHER BONA FIDE MEANS OF DELIVERY, PROVIDED THAT THE
27 PURCHASER OBTAINS A RECEIPT. A notice of cancellation given by
28 any bona fide means of delivery shall be effective on the date
29 postmarked or on the date of deposit of the notice with any bona
30 fide means of delivery.

1 Section 5. Return of payments and documents.

2 Within ten business days after the receipt of a notice of
3 cancellation, all payments made under the purchase contract
4 shall be refunded to the purchaser and any documents executed by
5 the purchaser, in connection with the purchase contract shall be
6 returned to him. IN THE EVENT OF CANCELLATION PURSUANT TO THIS <—
7 ACT, ANY PROMOTIONAL PRIZES, GIFTS AND PREMIUMS ISSUED TO THE
8 PURCHASER BY THE SELLER SHALL REMAIN THE PROPERTY OF THE
9 PURCHASER.

10 Section 6. No waiver.

11 The right of cancellation shall not be waivable by any
12 purchaser.

13 Section 7. No liability.

14 A purchaser who exercises the right of cancellation shall not
15 be liable for any damages as a result of the exercise of that
16 right.

17 Section 8. Violations.

18 A violation of this act by any individual, corporation,
19 partnership, association or other entity required to be
20 licensed, certified or registered with the State Real Estate
21 Commission under the act of February 19, 1980 (P.L.15, No.9),
22 known as the Real Estate Licensing and Registration Act, as a
23 condition for engaging in transactions involving timeshares
24 shall also be deemed to be a violation of the Real Estate
25 Licensing and Registration Act. A violation of this act BY ANY <—
26 INDIVIDUAL, CORPORATION, PARTNERSHIP, ASSOCIATION OR OTHER
27 ENTITY shall also be deemed a violation of the act of December
28 17, 1968 (P.L.1224, No.387), known as the Unfair Trade Practices
29 and Consumer Protection Law. The Attorney General is authorized
30 to enforce this act. ANY ACTIONS BROUGHT BY THE ATTORNEY GENERAL <—

1 TO ENFORCE THIS ACT SHALL BE IN ADDITION TO ANY ACTIONS WHICH
2 THE STATE REAL ESTATE COMMISSION MAY BRING UNDER THE REAL ESTATE
3 LICENSING AND REGISTRATION ACT.

4 Section 9. Regulations.

5 The State Real Estate Commission may promulgate, adopt and
6 enforce any regulations necessary to carry out this act,
7 provided that the right of cancellation shall not be dependent
8 upon the exercise by the State Real Estate Commission of the
9 powers granted by this section.

10 Section 10. Applicability.

11 This act shall be applicable only to timeshares which are
12 located within this Commonwealth and to timeshares which are
13 located outside this Commonwealth but for which the purchase
14 contract was executed by the purchaser within this Commonwealth.

15 Section 11. Effective date.

16 This act shall take effect in 180 days.