## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL No. $1262^{Session of}_{2005}$

INTRODUCED BY HARHAI, BEBKO-JONES, BIANCUCCI, BUXTON, CALTAGIRONE, DeLUCA, FABRIZIO, FREEMAN, GOODMAN, GRUCELA, HASAY, JAMES, W. KELLER, KOTIK, LEACH, PALLONE, PETRARCA, PRESTON, RAYMOND, READSHAW, SAINATO, SCAVELLO, SHANER, SOLOBAY, STABACK, TANGRETTI, TIGUE, WALKO, WANSACZ, WHEATLEY, WILT AND YOUNGBLOOD, MARCH 31, 2005

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, MARCH 31, 2005

## AN ACT

- Relating to the rights of purchasers and lessees of defective
   recreational vehicles.
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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 Recreational7 Vehicle 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 in the business of buying, selling,13 leasing or exchanging recreational vehicles.

14 "Department." The Department of Transportation of the15 Commonwealth.

16 "Manufacturer." Any person engaged in the business of 17 constructing or assembling new and unused recreational vehicles 18 or engaged in the business of importing new and unused 19 recreational vehicles into the United States for the purpose of 20 selling or distributing new and unused recreational vehicles to 21 dealers in this Commonwealth.

22 "Manufacturer's express warranty" or "warranty." The written 23 warranty of the manufacturer of a new recreational vehicle of 24 its condition and fitness for use, including any terms or 25 conditions precedent to the enforcement of obligations under the 26 warranty.

27 "New recreational vehicle." Any new and unused recreational 28 vehicle driven upon public roads, streets or highways, which was 29 purchased or leased and is registered in this Commonwealth or 30 purchased or leased elsewhere and registered for the first time 20050H1262B1488 - 2 -

in this Commonwealth and is used, leased or bought for use 1 exclusively for personal, family or household purposes, 2 3 including a vehicle used by a manufacturer or dealer as a 4 demonstrator or dealer recreational vehicle prior to its sale. 5 "Nonconformity." A defect or condition which substantially impairs the use, value or safety of a new recreational vehicle 6 7 and does not conform to the manufacturer's express warranty. 8 "Purchaser." A person, or a successor or assign of the 9 person, who obtains possession or ownership of a new 10 recreational vehicle by lease, transfer or purchase or who 11 enters into an agreement or contract for the lease or purchase of a new recreational vehicle which is used, leased or bought 12 13 for use exclusively for personal, family or household purposes. 14 "Recreational vehicle." A motor home, pickup truck with 15 attached camper or bus when used exclusively for personal pleasure by individuals. 16

17 Section 3. Disclosure.

18 The Attorney General shall prepare and publish in the Pennsylvania Bulletin a statement which explains a purchaser's 19 20 rights under this act. Manufacturers shall provide to each 21 purchaser at the time of original purchase of a new recreational 22 vehicle a written statement containing a copy of the Attorney 23 General's statement and a listing of zone offices, with addresses and telephone numbers, which can be contacted by the 24 25 purchaser for the purpose of securing the remedies provided for 26 in this act.

27 Section 4. Repair obligations.

(a) Repairs required.--The manufacturer of a new
recreational vehicle sold or leased and registered in this
Commonwealth shall repair or correct, at no cost to the
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purchaser, a nonconformity which substantially impairs the use, 1 value or safety of the recreational vehicle which may occur 2 within a period of one year following the actual delivery of the 3 4 vehicle to the purchaser, within the first 12,000 miles of use 5 or during the term of the warranty, whichever may first occur. (b) Delivery of vehicle. -- It shall be the duty of the 6 purchaser to deliver the nonconforming vehicle to the 7 manufacturer's authorized service and repair facility within the 8 Commonwealth unless, due to reasons of size and weight or method 9 of attachment or method of installation or nature of the 10 nonconformity, delivery cannot reasonably be accomplished. 11 Should the purchaser be unable to effect return of the 12 13 nonconforming vehicle, the purchaser shall notify the manufacturer or its authorized service and repair facility. 14 15 Written notice of nonconformity to the manufacturer or its 16 authorized service and repair facility shall constitute return 17 of the vehicle when the purchaser is unable to return the 18 vehicle due to the nonconformity. Upon receipt of notice of nonconformity, the manufacturer shall, at its option, service or 19 20 repair the vehicle at the location of nonconformity or pick up 21 the vehicle for service and repair or arrange for transporting 22 the vehicle to its authorized service and repair facility. All costs of transporting the vehicle when the purchaser is unable 23 24 to effect return, due to nonconformity, shall be at the 25 manufacturer's expense.

Section 5. Manufacturer's duty for refund or replacement.
If the manufacturer fails to repair or correct a
nonconformity after a reasonable number of attempts, the
manufacturer shall, at the option of the purchaser, replace the
recreational vehicle with a comparable recreational vehicle of
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equal value or accept return of the vehicle from the purchaser 1 2 and refund to the purchaser the full purchase price or lease 3 price, including all collateral charges, less a reasonable 4 allowance for the purchaser's use of the vehicle not exceeding 5 10¢ per mile driven or 10% of the purchase price or lease price of the vehicle, whichever is less. Refunds shall be made to the 6 purchaser and lienholder, if any, as their interests may appear. 7 8 A reasonable allowance for use shall be that amount directly 9 attributable to use by the purchaser prior to the first report 10 of the nonconformity to the manufacturer. In the event the 11 consumer elects a refund, payment shall be made within 30 days of such election. A consumer shall not be entitled to a refund 12 13 or replacement if the nonconformity does not substantially 14 impair the use, value or safety of the vehicle or the 15 nonconformity is the result of abuse, neglect or modification or 16 alteration of the recreational vehicle by the purchaser. Section 6. Presumption of reasonable number of attempts. 17 18 It shall be presumed that a reasonable number of attempts have been undertaken to repair or correct a nonconformity if: 19 20 (1) the same nonconformity has been subject to repair 21 three times by the manufacturer, its agents or authorized 22 dealers and the nonconformity still exists; or 23 the recreational vehicle is out-of-service by reason (2) 24 of any nonconformity for a cumulative total of 30 or more

25 calendar days.

26 Section 7. Itemized statement required.

27 The manufacturer or dealer shall provide to the purchaser 28 each time the purchaser's vehicle is returned from being 29 serviced or repaired a fully itemized statement indicating all 30 work performed on the recreational vehicle, including, but not 20050H1262B1488 - 5 - limited to, parts and labor. It shall be the duty of a dealer to
 notify the manufacturer of the existence of a nonconformity
 within seven days of the delivery by a purchaser of a vehicle
 subject to a nonconformity when it is delivered to the same
 dealer for the second time for repair of the same nonconformity.
 The notification shall be by certified mail, return receipt
 requested.

8 Section 8. Civil cause of action.

9 Any purchaser of a new recreational vehicle who suffers any 10 loss due to nonconformity of the vehicle as a result of the 11 manufacturer's failure to comply with this act may bring a civil 12 action in a court of common pleas and, in addition to other 13 relief, shall be entitled to recover reasonable attorney fees 14 and all court costs.

15 Section 9. Informal dispute settlement procedure.

If the manufacturer has established an informal dispute 16 settlement procedure which complies with 16 CFR Pt. 703 17 18 (relating to informal dispute settlement procedures), section 8 19 (relating to civil cause of action) shall not apply to any purchaser who has not first resorted to such procedure as it 20 21 relates to a remedy for defects or conditions affecting the 22 substantial use, value or safety of the vehicle. The informal dispute settlement procedure shall not be binding on the 23 24 purchaser, and, in lieu of such settlement, the purchaser may 25 pursue a remedy under section 8.

26 Section 10. Resale of returned recreational vehicle.

(a) Prohibition.--If a recreational vehicle has been
repurchased under this act or a similar statute of another
state, it may not be resold, transferred or leased in this
Commonwealth unless:

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1 (1) The manufacturer provides the same express warranty 2 it provided to the original purchaser, except that the term 3 of the warranty need only last for 12,000 miles or 12 months 4 after the date of resale, transfer or lease, whichever is 5 earlier.

6 (2) The manufacturer provides the purchaser, lessee or 7 transferee with a written statement on a separate piece of 8 paper, in ten-point all capital type, in substantially the 9 following form:

10 IMPORTANT: THIS VEHICLE WAS REPURCHASED BY THE
11 MANUFACTURER BECAUSE IT DID NOT CONFORM TO THE
12 MANUFACTURER'S EXPRESS WARRANTY, AND THE NONCONFORMITY
13 WAS NOT CURED WITHIN A REASONABLE TIME AS PROVIDED BY
14 PENNSYLVANIA LAW.

15 (3) The dealer, lessor or transferor clearly and 16 conspicuously discloses the manufacturer's written 17 notification prior to the resale or lease of the repurchased 18 vehicle.

19 (4) The dealer, lessor or transferor obtains a signed 20 receipt certifying in a conspicuous and understandable manner 21 that the written statement required under this subsection has 22 been provided. Access to the receipt shall be maintained for 23 four years. The Attorney General shall approve the form and 24 content of the disclosure statement supplied by the 25 manufacturer.

(5) The manufacturer, dealer, lessor or transferor
applies for and receives the designation of a branded title
from the department.

29 (6) The department shall update its records and issue a 30 title with a designation indicating that the vehicle was 20050H1262B1488 - 7 - 1 repurchased under this act. The department shall forward to 2 subsequent purchasers or lienholders, in accordance with 75 3 Pa.C.S. §§ 1107 (relating to delivery of certificate of 4 title) and 1132.1 (relating to perfection of security 5 interest in a vehicle), a certificate of title which indicates that the vehicle was branded under this act. The 6 department shall determine the exact form and content of the 7 8 title brand.

This section applies to the resold, transferred or leased 9 10 vehicle for the full term of the warranty required under this 11 subsection. Failure of the manufacturer, dealer, lessor or transferor to notify its immediate purchaser of the requirements 12 13 of this section subjects the manufacturer, dealer, lessor or 14 transferor to pay to the Commonwealth a civil penalty of \$2,000 15 per violation and, at the option of the purchaser, to replace 16 the vehicle with a comparable vehicle of equal value or accept return of the vehicle from the purchaser and refund to the 17 18 purchaser the full purchase price, including all collateral 19 charges, less a reasonable allowance for the purchaser's use of 20 the vehicle not exceeding 10¢ per mile driven or 10% of the 21 purchase price of the vehicle, whichever is less.

(b) Returned vehicles not to be resold.--Notwithstanding the provisions of subsection (a), if a new recreational vehicle has been returned under this act or a similar statute of another state because of a nonconformity resulting in a complete failure of the braking or steering system of the vehicle likely to cause death or serious bodily injury if the vehicle was driven, the vehicle may not be resold in this Commonwealth.

29 (c) Agreement waiving, limiting or disclaiming rights.--Any 30 agreement entered into by a purchaser that waives, limits or 20050H1262B1488 - 8 - disclaims the rights set forth in this act is void as contrary
 to public policy. Where applicable, the rights set forth in this
 act shall extend to a subsequent purchaser, lessee or transferee
 of the recreational vehicle.

5 Section 11. Application of unfair trade act.

6 A violation of this act is a violation of the act of December 7 17, 1968 (P.L.1224, No.387), known as the Unfair Trade Practices 8 and Consumer Protection Law.

9 Section 12. Rights preserved.

10 Nothing in this act shall limit the purchaser from pursuing 11 any other rights or remedies under any other law, contract or 12 warranty.

13 Section 13. Nonwaiver of act.

14 The provisions of this act shall not be waived.

15 Section 14. Applicability.

16 This act shall apply to new recreational vehicles purchased 17 after the effective date of this act.

18 Section 15. Effective date.

19 This act shall take effect in 60 days.