

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 259 Session of
2007

INTRODUCED BY BROWNE, BOSCOLA, RHOADES, CORMAN, FONTANA,
TARTAGLIONE, ORIE, COSTA, RAFFERTY, M. WHITE, EARLL,
ARMSTRONG, FERLO, WONDERLING AND BAKER, MARCH 8, 2007

REFERRED TO CONSUMER PROTECTION AND PROFESSIONAL LICENSURE,
MARCH 8, 2007

AN ACT

1 Amending the act of March 28, 1984 (P.L.150, No.28), entitled,
2 as amended, "An act relating to the rights of purchasers of
3 defective new motor vehicles," further providing for
4 manufacturer's duty for refund or replacement.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Section 5 of the act of March 28, 1984 (P.L.150,
8 No.28), known as the Automobile Lemon Law, amended December 13,
9 2001 (P.L.868, No.94), is amended to read:

10 Section 5. Manufacturer's duty for refund or replacement.

11 (a) Option of purchaser.--

12 (1) If the manufacturer fails to repair or correct a
13 nonconformity after a reasonable number of attempts, the
14 manufacturer shall, at the option of the purchaser, replace
15 the motor vehicle with a comparable motor vehicle of equal
16 value or accept return of the vehicle from the purchaser and
17 refund to the purchaser the full purchase price or lease
18 price, including all collateral charges, less a reasonable

1 allowance for the purchaser's use of the vehicle not
2 exceeding 10¢ per mile driven or 10% of the purchase price or
3 lease price of the vehicle, whichever is less. Refunds shall
4 be made to the purchaser and lienholder, if any, as their
5 interests may appear. A reasonable allowance for use shall be
6 that amount directly attributable to use by the purchaser
7 prior to his first report of the nonconformity to the
8 manufacturer. In the event the consumer elects a refund,
9 payment shall be made within 30 days of such election.

10 (2) A consumer shall not be entitled to a refund or
11 replacement if the nonconformity does not substantially
12 impair the use, value or safety of the vehicle or the
13 nonconformity is the result of abuse, neglect or modification
14 or alteration of the motor vehicle by the purchaser.

15 (b) Sales tax.--A refund paid to the purchaser under this
16 section shall be deemed a trade-in for the purpose of computing
17 sales tax under Article II of the act of March 4, 1971 (P.L.6,
18 No.2), known as the Tax Reform Code of 1971, if applied to the
19 purchase of another motor vehicle within 30 days of its receipt.

20 Section 2. The addition of section 5(b) of the act shall
21 apply to refunds paid on or after January 1, 2007.

22 Section 3. This act shall take effect immediately.