## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## **HOUSE BILL**

No. 1391

Session of 1977

INTRODUCED BY MESSRS. GREENFIELD, CIANCIULLI, GRAY, GIAMMARCO, COHEN, BORSKI, MRS. SCANLON, MESSRS. GLEESON, BROWN AND SCHMITT, JUNE 22, 1977

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES, DECEMBER 6, 1977

## AN ACT

Providing for the return of certain defective merchandise GOODS 2 and for a refund of the purchase price; providing for 3 enforcement powers of the Attorney General for certain actions in equity and for the payment of costs and 5 restitution. 6 The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows: 8 Section 1. The following words and phrases when used in this act shall have, unless the context clearly indicates otherwise, 10 the meanings given to them in this section: 11 "Merchandise." Tangible personal property used primarily for 12 personal, family or household purposes excepting motor vehicles. 13 "GOODS." ALL THINGS (INCLUDING SPECIALLY MANUFACTURED GOODS) 14 WHICH ARE MOVABLE AT THE TIME OF IDENTIFICATION TO THE CONTRACT 15 FOR SALE OTHER THAN THE MONEY IN WHICH THE PRICE IS TO BE PAID, 16 INVESTMENT SECURITIES, THINGS IN ACTION, AND MOTOR VEHICLES. 17 "Merchant." A person who deals in merchandise GOODS of the

kind or otherwise by his occupation holds himself out as having

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- 1 knowledge or skill peculiar to the practices or merchandise
- 2 GOODS involved in the transaction or to whom such knowledge or

- 3 skill may be attributed by his employment of an agent or broker
- 4 or other intermediary who by his occupation holds himself out as
- 5 having such knowledge or skill.
- 6 "Motor vehicle." Any self-propelled device in which, upon
- 7 which, or by which any person or property is or may be
- 8 transported or drawn upon a public highway, excepting tractors,
- 9 power shovels, road machinery, agricultural machinery and other
- 10 machinery not designed primarily for highway transportation, but
- 11 which may incidentally transport persons or property on a public
- 12 highway, and excepting such devices which move upon or are
- 13 guided by a track or travel through the air and shall include
- 14 trailers and semitrailers.
- 15 Section 2. (a) A warranty that merchandise shall be fit is
- 16 implied in a sale of merchandise if the seller is a merchant
- 17 with respect to merchandise of that kind. Under this act the
- 18 serving for value of food or drink to be consumed either on the
- 19 premises or elsewhere is not a sale of merchandise.
- 20 (b) For the purposes of this act, merchandise to be fit must
- 21 be at least such as is fit for the ordinary purposes for which
- 22 such merchandise is used.
- 23 Section 3. (a) If the seller of new (unused) merchandise
- 24 breaches the implied warranty of fitness established by this
- 25 act, the seller of such merchandise shall give a cash refund to
- 26 the buyer in the amount of the sale price, if the buyer tenders
- 27 a sales receipt or other documentary proof of purchase, and
- 28 returns the goods to the place of sale within seven full
- 29 business days following the day on which the sale was made, in
- 30 the same condition as at the time of sale, excepting such change

- 1 in condition which is necessarily caused in discovering the
- 2 breach of warranty, if the merchandise cannot be replaced with
- 3 fit merchandise or repaired to a condition of fitness within
- 4 seven full business days following the day that the goods are
- 5 returned. The buyer may at any time after the purchase agree to
- 6 extend or waive the time for repairs provided in this section.
- 7 SECTION 2. (A) IF THE SELLER OF NEW (UNUSED) GOODS WHICH

- 8 WERE PURCHASED FOR USE FOR PRIMARILY PERSONAL, FAMILY OR
- 9 HOUSEHOLD PURPOSES BREACHES AN IMPLIED WARRANTY OF
- 10 MERCHANTABILITY ARISING UNDER SECTION 2-314 OF THE ACT OF APRIL
- 11 6, 1953 (P.L.3, NO.1), KNOWN AS THE "UNIFORM COMMERCIAL CODE,"
- 12 OR IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE ARISING
- 13 UNDER SECTION 2-315 OF THE SAID ACT, THE BUYER MAY REVOKE HIS
- 14 ACCEPTANCE OF THE GOODS BY RETURNING THE GOODS TO THE PLACE OF
- 15 SALE WITHIN SEVEN FULL BUSINESS DAYS FOLLOWING THE DAY ON WHICH
- 16 THE SALE WAS MADE, IN THE SAME CONDITION AS AT THE TIME OF SALE,
- 17 EXCEPTING SUCH CHANGE IN CONDITION WHICH IS NECESSARILY CAUSED
- 18 IN DISCOVERING THE BREACH OF WARRANTY AND TENDERING A SALES
- 19 RECEIPT OR OTHER DOCUMENTARY PROOF OF PURCHASE. IF THE BUYER
- 20 REVOKES HIS ACCEPTANCE PURSUANT TO THIS SECTION, THE SELLER
- 21 SHALL GIVE A CASH REFUND TO THE BUYER IN THE AMOUNT OF THE
- 22 PURCHASE PRICE IF THE GOODS CANNOT BE REPLACED WITH CONFORMING
- 23 GOODS OR REPAIRED TO A CONDITION OF CONFORMITY WITH THE
- 24 WARRANTIES WITHIN SEVEN FULL BUSINESS DAYS FOLLOWING THE DAY
- 25 THAT THE GOODS ARE RETURNED. THE BUYER MAY AT ANY TIME AFTER THE
- 26 PURCHASE AGREE TO EXTEND OR WAIVE THE TIME FOR REPAIRS PROVIDED
- 27 IN THIS SECTION BUT SUCH EXTENSION OR WAIVER SHALL BE EFFECTIVE
- 28 ONLY IF IT IS STATED IN A WRITING SIGNED BY THE BUYER. IF A
- 29 WARRANTY OF MERCHANTABILITY OR WARRANTY OF FITNESS FOR A
- 30 PARTICULAR PURPOSE IS IMPLIED IN A SALE OF GOODS WHICH WERE

- 1 PURCHASED FOR USE FOR PRIMARILY PERSONAL, FAMILY OR HOUSEHOLD
- 2 PURPOSES, THE SELLER SHALL NOT LIMIT THE RIGHT OF THE BUYER TO
- 3 RECEIVE A CASH REFUND UNDER THIS ACT AND ANY SUCH LIMITATION OF
- 4 THE BUYER'S RIGHT SHALL BE VOID AND UNENFORCEABLE.
- 5 (b) This section shall not apply in cases where the buyer
- 6 has recourse to the Public Utility Commission.
- 7 (c) When the seller delivers merchandise GOODS by United
- 8 States mail or other delivery service, the buyer shall be deemed

- 9 to have returned such merchandise GOODS upon depositing the
- 10 merchandise in the United States mail, or with the same delivery
- 11 service as used for delivery to the buyer, with the proper
- 12 delivery fee and instructions for return to the seller, provided
- 13 that the merchandise is subsequently delivered to the seller.
- 14 Section 4 3. A cash refund may be a credit to the account of <-
- 15 the buyer if the original sale is a credit sale: Provided, That
- 16 any credit balance in the account after such credit is entered
- 17 shall be refunded upon request of the buyer. Such credit may be
- 18 entered and any credit balance may be refunded within a
- 19 reasonable time after the return of the merchandise GOODS: And, <-
- 20 provided further, That the credit to the account shall be
- 21 effective as of the date on which the merchandise was GOODS WERE <-
- 22 returned. If the payment was by personal check, the cash refund
- 23 shall be made after the check has been honored.
- 24 Section 5 4. The Attorney General shall have the power to
- 25 enforce this act.
- 26 Section 6 5. In the administration of this act, the Attorney <---
- 27 General may accept an assurance of voluntary compliance with
- 28 respect to any method, act or practice deemed to be violative of
- 29 the act from any person who has engaged or was about to engage
- 30 in such method, act or practice. Such assurance may include a

- 1 stipulation for voluntary payment by the alleged violator
- 2 providing for the restitution by the alleged violator to buyers
- 3 of money, property or other things received from them in
- 4 connection with the violation of this act. Any such assurance
- 5 shall be in writing and be filed with the court of common pleas
- 6 in the county in which the alleged violator resides, has his
- 7 principal place of business, or is doing business, or the
- 8 Commonwealth Court. Such assurance of voluntary compliance shall
- 9 not be considered an admission of violation for any purpose.
- 10 Matters thus closed may at any time be reopened by the Attorney
- 11 General for further proceedings in the public interest.
- 12 Section 7 6. Whenever the Attorney General has reason to
- 13 believe that any person is using or is about to use any method,
- 14 act or practice declared in this act to be unlawful and that
- 15 proceedings would be in the public interest, he may bring an
- 16 action in the name of the Commonwealth against such person to
- 17 restrain by temporary or permanent injunction the use of such
- 18 method, act or practice. The action may be brought in the court
- 19 of common pleas of the county in which such person resides, has
- 20 his principal place of business, or is doing business, or may be
- 21 brought in the Commonwealth Court. The said courts are
- 22 authorized to issue temporary or permanent injunctions to
- 23 restrain and prevent violations of this act, and such
- 24 injunctions shall be issued without bond.
- 25 Section 8 7. Whenever any court issues a permanent
- 26 injunction to restrain and prevent violations of this act, the

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- 27 court may in its discretion provide for payment by defendant or
- 28 defendants to the Commonwealth of the court costs of the action.
- 29 In addition, the court may in its discretion direct that the
- 30 defendant or defendants restore to any person in interest any

- 1 moneys or property, real or personal, which may have been
- 2 acquired by means of any violation of this act, under terms and
- 3 conditions established by the court.
- 4 Section 9 8. Whenever merchandise GOODS shall be returned to <---
- 5 the seller and the seller fails to comply with the provisions of
- 6 this act such seller shall be liable to the buyer for the lesser
- 7 of three times the purchase price or the purchase price plus
- 8 \$200.
- 9 Section 10 9. Except as provided in section 9 8, the rights, <---

- 10 duties and remedies established in this act shall be in addition
- 11 to other rights, duties and remedies under the law, INCLUDING
- 12 THE ACT OF APRIL 6, 1953 (P.L.3, NO.1), KNOWN AS THE "UNIFORM
- 13 COMMERCIAL CODE." THIS ACT SHALL NOT LIMIT THE RIGHT OF THE
- 14 SELLER TO DISCLAIM WARRANTIES.
- 15 Section <del>11</del> 10. This act shall take effect immediately.