

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 917

Session of  
1975

INTRODUCED BY DOYLE, SCHMITT, GILLESPIE, O'KEEFE, GARZIA,  
LETTERMAN, KNEPPER AND DOMBROWSKI, MARCH 20, 1975

REFERRED TO COMMITTEE ON BUSINESS AND COMMERCE, MARCH 20, 1975

AN ACT

1 Amending the act of October 28, 1966 (1st Sp. Sess., P.L.55,  
2 No.7), entitled "An act defining, regulating and relating to  
3 retail installment contracts for all goods and services  
4 except certain motor vehicles and home improvements;  
5 prescribing the requirements of such contracts and  
6 limitations on the enforcement thereof; and providing  
7 remedies and penalties," providing for changes in refunds for  
8 prepayment of contracts.

9 The General Assembly of the Commonwealth of Pennsylvania  
10 hereby enacts as follows:

11 Section 1. Section 603, act of October 28, 1966 (1st Sp.  
12 Sess., P.L.55, No.7), known as the "Goods and Services  
13 Installment Sales Act," is amended to read:

14 Section 603. Notwithstanding the provisions of any contract  
15 to the contrary, any buyer may pay the contract in full at any  
16 time before maturity and in so paying it shall receive a refund  
17 credit thereon for such anticipation. The amount of any such  
18 refund credit shall [represent at least as great a proportion of  
19 the service charge or, if the contract has been extended,  
20 deferred or refinanced, of the additional charge therefor, as  
21 the sum of the periodic monthly time balances under the schedule

1 of installments in the contract] be computed by prorating the  
2 service or interest charge over the whole contract period and  
3 returning an amount computed on the difference between the  
4 actual payoff date and the scheduled maturity date of the  
5 contract, or, if the contract has been extended, deferred or  
6 refinanced, as so extended, deferred or refinanced. Where the  
7 amount of the credit for anticipation of payment is less than  
8 one dollar (\$1) no refund need be made. Where the earned service  
9 charge amounts to less than the minimum service charge, there  
10 may be retained an amount equal to the minimum service charge  
11 applicable.