

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 619 Session of
1993

INTRODUCED BY KUKOVICH, PETRONE, BATTISTO, DeWEESE, TIGUE,
McCALL, BELFANTI, GIGLIOTTI, YANDRISEVITS, PISTELLA, GAMBLE,
ARGALL, BARLEY, MELIO, VAN HORNE, TRUE, DALEY, JOSEPHS,
TRELLO, STABACK, WOZNIAK, MIHALICH, PLATTS, FREEMAN,
D. W. SNYDER, NYCE, CORRIGAN AND BUNT, MARCH 22, 1993

AS REPORTED FROM COMMITTEE ON URBAN AFFAIRS, HOUSE OF
REPRESENTATIVES, AS AMENDED, JUNE 15, 1993

AN ACT

~~1 Amending the act of December 22, 1983 (P.L.306, No.84), entitled <—
2 "An act providing for the State Board of Vehicle
3 Manufacturers, Dealers and Salespersons; and providing
4 penalties," providing for warranty and presale information.
5 AMENDING THE ACT OF DECEMBER 22, 1983 (P.L.306, NO.84), ENTITLED <—
6 "AN ACT PROVIDING FOR THE STATE BOARD OF VEHICLE
7 MANUFACTURERS, DEALERS AND SALESPERSONS; AND PROVIDING
8 PENALTIES," PROVIDING FOR WARRANTY AND PRESALE INFORMATION.~~

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

~~11 Section 1. The definition of "vehicle" in section 2 of the <—
12 act of December 22, 1983 (P.L.306, No.84), known as the Board of
13 Vehicles Act, is amended to read:~~

~~14 Section 2. Definitions.~~

~~15 The following words and phrases when used in this act shall
16 have the meanings given to them in this section unless the
17 context clearly indicates otherwise:~~

18 * * *

19 "Vehicle." Every device which is or may be moved or drawn

~~upon a highway, except devices designed primarily for use in
construction or agriculture or road maintenance, devices moved
by human or animal power, those used exclusively upon rails or
tracks or motorized pedaleycles. The term includes manufactured
homes.~~

~~* * *~~

~~Section 2. The act is amended by adding a section to read:~~
~~Section 8.1. Warranty and presale information.~~

~~(a) Manufacturer's warranty. At least 48 hours before an
agreement of sale is executed for the purchase of a new
manufactured home, the dealer shall show the prospective
purchaser the manufacturer's warranty for the home to be
purchased and explain its contents. The purchaser shall sign a
form indicating they have reviewed the warranty.~~

~~(b) Extended warranty.~~

~~(1) The purchaser prior to signing a sales contract
shall be offered an extended warranty of not less than ten
years covering at a minimum major structural defects which
shall include actual physical damage to the following
specified load bearing segments of the home, caused by a
failure of such segments which affects their load bearing
functions to the degree that the home becomes unsafe or
unlivable:~~

~~(i) Roof framing members and systems (rafters and
trusses).~~

~~(ii) Floor systems (joists).~~

~~(iii) Bearing walls and partitions.~~

~~(iv) Columns.~~

~~(v) Lintels.~~

~~(vi) Girders.~~

~~(vii) Load bearing beams.~~

~~(viii) Foundation systems.~~

~~(2) If the purchaser declines the extended warranty, he shall sign a statement to that effect which shall be retained by the dealer.~~

~~(c) Estimate of expenses. At least 48 hours before an agreement of sale is executed for the purchase of a new manufactured home, the dealer shall provide the prospective purchaser with a written estimate of the reasonably foreseeable expenses associated with the sale that the prospective purchaser may be expected to pay, including:~~

~~(1) Actual retail sale price of home.~~

~~(2) All finance charges, including principal amount to be borrowed, rate of interest, length of loan and total principal and interest to be paid back during entire term of loan, when the dealer is assisting in arranging financing of the home for the prospective purchaser.~~

~~(3) Annual cost of insurance premiums for any insurance policies prospective purchasers are told they should carry on the home when the dealer is assisting in arranging insurance coverage on the home for the prospective purchaser.~~

~~(4) Annual cost of extended warranty coverage should prospective purchaser choose to purchase same.~~

~~(d) Approval by community. When a prospective purchaser is going to place the home in a manufactured housing community, the prospective purchaser shall have first been approved as a resident of the community where the home is to be located and in addition shall have in his possession a lease for that community signed by the owners of the community and a copy of the community's current rules and regulations, fees and charges, as~~

1 ~~well as any proposed changes to same, prior to an agreement of~~
2 ~~sale being executed for the new home.~~

3 ~~(e) Certificate of installation. A dealer shall insure that~~
4 ~~the new manufactured home is set up on site according to the~~
5 ~~manufacturer's setup specifications for that type of model home.~~
6 ~~The dealer shall provide the manufactured homeowner with a~~
7 ~~notarized certificate of installation prior to occupancy which~~
8 ~~shall state the home was set up by the installer according to~~
9 ~~the manufacturer's specifications for that home and if any~~
10 ~~damage occurs to the home in the future as a result of improper~~
11 ~~installation and setup, the dealer shall be financially liable~~
12 ~~and responsible for all repairs or replacement costs resulting~~
13 ~~from the damage.~~

14 ~~(f) Contract null and void. Any violation of the provisions~~
15 ~~of this section by a dealer shall render null and void any~~
16 ~~contract for the purchase of a new manufactured home previously~~
17 ~~entered into by the affected party.~~

18 ~~Section 3. This act shall take effect in 60 days.~~

19 SECTION 1. THE DEFINITION OF "VEHICLE" IN SECTION 2 OF THE <—
20 ACT OF DECEMBER 22, 1983 (P.L.306, NO.84), KNOWN AS THE BOARD OF
21 VEHICLES ACT, IS AMENDED TO READ:

22 SECTION 2. DEFINITIONS.

23 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ACT SHALL
24 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
25 CONTEXT CLEARLY INDICATES OTHERWISE:

26 * * *

27 "VEHICLE." EVERY DEVICE WHICH IS OR MAY BE MOVED OR DRAWN
28 UPON A HIGHWAY, EXCEPT DEVICES DESIGNED PRIMARILY FOR USE IN
29 CONSTRUCTION OR AGRICULTURE OR ROAD MAINTENANCE, DEVICES MOVED
30 BY HUMAN OR ANIMAL POWER, THOSE USED EXCLUSIVELY UPON RAILS OR

1 TRACKS OR MOTORIZED PEDALCYCLES. THE TERM INCLUDES MANUFACTURED
2 HOMES.

3 * * *

4 SECTION 2. THE ACT IS AMENDED BY ADDING A SECTION TO READ:
5 SECTION 8.1. WARRANTY AND PRESALE INFORMATION.

6 (A) MANUFACTURER'S WARRANTY.--AT THE TIME THAT AN AGREEMENT
7 OF SALE IS EXECUTED FOR THE PURCHASE OF A NEW MANUFACTURED HOME,
8 THE DEALER SHALL SHOW THE PROSPECTIVE PURCHASER THE
9 MANUFACTURER'S WARRANTY FOR THE HOME TO BE PURCHASED AND EXPLAIN
10 ITS CONTENTS. THE PURCHASER SHALL SIGN A FORM INDICATING THEY
11 HAVE REVIEWED THE WARRANTY.

12 (B) EXTENDED WARRANTY.--

13 (1) THE PURCHASER PRIOR TO SIGNING A SALES CONTRACT
14 SHALL BE OFFERED AN EXTENDED WARRANTY OF NOT LESS THAN TEN
15 YEARS COVERING AT A MINIMUM MAJOR STRUCTURAL DEFECTS WHICH
16 SHALL INCLUDE ACTUAL PHYSICAL DAMAGE TO THE FOLLOWING
17 SPECIFIED LOAD-BEARING SEGMENTS OF THE HOME, CAUSED BY A
18 FAILURE OF SUCH SEGMENTS WHICH AFFECTS THEIR LOAD-BEARING
19 FUNCTIONS TO THE DEGREE THAT THE HOME BECOMES UNSAFE OR
20 UNLIVABLE:

21 (I) ROOF FRAMING MEMBERS AND SYSTEMS (RAFTERS AND
22 TRUSSES).

23 (II) FLOOR SYSTEMS (JOISTS).

24 (III) BEARING WALLS AND PARTITIONS.

25 (IV) COLUMNS.

26 (V) LINTELS.

27 (VI) GIRDERS.

28 (VII) LOAD-BEARING BEAMS.

29 (VIII) FOUNDATION SYSTEMS.

30 (2) IF THE PURCHASER DECLINES THE EXTENDED WARRANTY, HE

1 SHALL SIGN A STATEMENT TO THAT EFFECT WHICH SHALL BE RETAINED
2 BY THE DEALER.

3 (C) ESTIMATE OF EXPENSES.--AT LEAST 48 HOURS BEFORE AN
4 AGREEMENT OF SALE IS EXECUTED FOR THE PURCHASE OF A NEW
5 MANUFACTURED HOME, THE DEALER SHALL PROVIDE THE PROSPECTIVE
6 PURCHASER WITH A WRITTEN ESTIMATE OF THE REASONABLY FORESEEABLE
7 EXPENSES ASSOCIATED WITH THE SALE THAT THE PROSPECTIVE PURCHASER
8 MAY BE EXPECTED TO PAY, INCLUDING:

9 (1) ACTUAL RETAIL SALE PRICE OF HOME.

10 (2) ALL FINANCE CHARGES, INCLUDING PRINCIPAL AMOUNT TO
11 BE BORROWED, RATE OF INTEREST, LENGTH OF LOAN AND TOTAL
12 PRINCIPAL AND INTEREST TO BE PAID BACK DURING ENTIRE TERM OF
13 LOAN, WHEN THE DEALER IS ASSISTING IN ARRANGING FINANCING OF
14 THE HOME FOR THE PROSPECTIVE PURCHASER.

15 (3) ANNUAL COST OF INSURANCE PREMIUMS FOR ANY INSURANCE
16 POLICIES PROSPECTIVE PURCHASERS ARE TOLD THEY SHOULD CARRY ON
17 THE HOME WHEN THE DEALER IS ASSISTING IN ARRANGING INSURANCE
18 COVERAGE ON THE HOME FOR THE PROSPECTIVE PURCHASER.

19 (4) ANNUAL COST OF EXTENDED WARRANTY COVERAGE SHOULD
20 PROSPECTIVE PURCHASER CHOOSE TO PURCHASE SAME.

21 (D) APPROVAL BY COMMUNITY.--WHEN A PROSPECTIVE PURCHASER IS
22 GOING TO PLACE THE HOME IN A MANUFACTURED HOUSING COMMUNITY IN
23 PENNSYLVANIA, THE PROSPECTIVE PURCHASER SHALL HAVE FIRST BEEN
24 APPROVED AS A RESIDENT OF THE COMMUNITY WHERE THE HOME IS TO BE
25 LOCATED AND IN ADDITION SHALL HAVE IN HIS POSSESSION A LEASE FOR
26 THAT COMMUNITY SIGNED BY THE OWNERS OF THE COMMUNITY AND A COPY
27 OF THE COMMUNITY'S CURRENT RULES AND REGULATIONS, FEES AND
28 CHARGES, AS WELL AS ANY PROPOSED CHANGES TO SAME, PRIOR TO AN
29 AGREEMENT OF SALE BEING EXECUTED FOR THE NEW HOME.

30 (E) CONTRACT NULL AND VOID.--ANY VIOLATION OF THE PROVISIONS

1 OF THIS SECTION BY A DEALER SHALL RENDER NULL AND VOID ANY
2 CONTRACT FOR THE PURCHASE OF A NEW MANUFACTURED HOME PREVIOUSLY
3 ENTERED INTO BY THE AFFECTED PARTY.

4 SECTION 3. THIS ACT SHALL TAKE EFFECT IN 60 DAYS.