

THE GENERAL ASSEMBLY OF PENNSYLVANIA

# HOUSE BILL

No. 623 Session of  
1997

INTRODUCED BY LAWLESS, CLARK, LYNCH, E. Z. TAYLOR, HENNESSEY,  
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FEBRUARY 20, 1997

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, FEBRUARY 20, 1997

AN ACT

1 Requiring disclosure of new motor vehicle damage; and providing  
2 for enforcement.

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 New Motor  
7 Vehicle Damage Disclosure Act.

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 "New motor vehicle." A vehicle, regardless of mileage, which  
13 has never been registered or titled in this Commonwealth or any  
14 other state or jurisdiction on which a tax imposed under Article  
15 II of the act of March 4, 1971 (P.L.6, No.2), known as the Tax  
16 Reform Code of 1971, has been paid prior to its sale.

17 Section 3. New motor vehicle damage disclosure.

1 (a) Notice to purchaser.--The selling vehicle dealer shall  
2 notify the purchaser of a new vehicle in writing at the time of  
3 sale of any damage or damage repairs incurred by the new vehicle  
4 which exceeds the greater of \$500 or 3% of the manufacturer's  
5 suggested retail price. Damage exceeding the disclosure amount  
6 shall be disclosed by the vehicle dealer when:

7 (1) the manufacturer or its agent, in accordance with  
8 the act of December 22, 1983 (P.L.306, No.84), known as the  
9 Board of Vehicles Act, discloses that, at any time after the  
10 manufacturing process is complete, damage occurred or damage  
11 repairs were made; or

12 (2) the vehicle dealer knows or should know based on  
13 facts indicating that other damage or damage repair exists in  
14 addition to the damage or repairs required to be disclosed  
15 under paragraph (1).

16 A vehicle dealer shall not misrepresent or mislead a purchaser  
17 if the purchaser inquires about the existence of damage or  
18 damage repairs made.

19 (b) Damage repair cost calculation.--In determining whether  
20 damage disclosure is required, repair costs shall be calculated  
21 at the vehicle dealer's retail charge on the date the repairs  
22 were made for:

23 (1) Parts, which shall only be replaced with new,  
24 original equipment manufacturer parts.

25 (2) Labor multiplied by the time taken to make the  
26 repairs as established by a time allowance from a repair  
27 manual utilized by the dealer.

28 Replacement of any permanently sealed-glass window shall be  
29 disclosed to the purchaser regardless of the cost of the  
30 replacement window. The value of any permanently sealed-glass

1 window replacement shall not be included in the calculation  
2 process to determine whether damage disclosure is required under  
3 this act. The value of any portion of a motor home designed,  
4 used or maintained primarily for human habitation shall not be  
5 included in the calculation process to determine whether damage  
6 disclosure is required under this act.

7 (c) Form for damage disclosure notice.--If damage disclosure  
8 to the purchaser is required under this act, the purchaser at  
9 the time of sale shall be provided with a fully completed copy  
10 of a damage disclosure form which shows the date of the  
11 disclosure, contains the name and address of the seller and in  
12 immediate proximity to the space provided for the signature of  
13 the purchaser in boldface type of a minimum size of ten points,  
14 a statement in substantially the following form:

15 New Vehicle Damage Disclosure Notice  
16 In accordance with the Commonwealth of Pennsylvania's New Motor  
17 Vehicle Damage Disclosure Act and in connection with the  
18 purchase from \_\_\_\_\_ (Dealer) of the motor  
19 vehicle described  
20 as follows:

21 Year\_\_\_\_\_Make\_\_\_\_\_Type\_\_\_\_\_

22 Serial No.\_\_\_\_\_Stock No.\_\_\_\_\_

23 I/we the undersigned, hereby acknowledge that Dealer  
24 has disclosed to me/us before I/we agreed to purchase  
25 the above listed vehicle that the vehicle has been  
26 subjected to postmanufacturing damage as follows:

27 Damage Description: \_\_\_\_\_

28 \_\_\_\_\_

29 \_\_\_\_\_

30 \_\_\_\_\_

1 \_\_\_\_\_

2 \_\_\_\_\_

3 The above disclosed damage or repaired damage is:

4 ( ) covered ( ) not covered (check one)

5 by the manufacturer's warranty.

6 I/we further acknowledge that the listed damage has

7 been repaired to my/our satisfaction.

8 Date: \_\_\_\_\_

9 \_\_\_\_\_

10 Signature of Purchaser Signature of Co-Purchaser

11 \_\_\_\_\_

12 Printed Name Printed Name

13 \_\_\_\_\_

14 Signature of Dealer Representative

15 Section 4. No rescission of sale.

16 If disclosure is not required under this act, a purchaser may  
17 not revoke or rescind a sales contract and is not entitled to  
18 other damages or relief under section 7 due solely to the fact  
19 that the vehicle was damaged and repaired prior to the sale.

20 Section 5. Automobile Lemon Law rights reserved.

21 Nothing in this act shall limit the purchaser from pursuing  
22 any other rights or remedies under the act of March 28, 1984  
23 (P.L.150, No.28), known as the Automobile Lemon Law.

24 Section 6. Board of Vehicles Act inapplicable.

25 The provisions of the act of December 22, 1983 (P.L.306,  
26 No.84), known as the Board of Vehicles Act, shall not apply and  
27 is superseded by this act only with regard to a dealer's  
28 obligation to disclose vehicle damage to a purchaser.

29 Section 7. Exemption.

30 The provisions of this act shall not apply to manufacturers,

1 distributors or dealers of manufactured housing, or  
2 manufacturers, distributors or dealers of motorcycles.

3 Section 8. Application of Consumer Protection Law.

4 A violation of this shall constitute a violation under the  
5 act of December 17, 1968 (P.L.1224, No.387), known as the Unfair  
6 Trade Practices and Consumer Protection Law, and shall be  
7 subject to the enforcement provisions and private rights of  
8 action contained in that act. A court may provide for rescission  
9 of the sale under a private right action, if a violation of this  
10 act is found.

11 Section 9. Effective date.

12 This act shall take effect in 60 days.