

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 905 Session of
1997

INTRODUCED BY O'PAKE, MELLOW, BELAN, AFFLERBACH, COSTA, MUSTO,
KITCHEN AND KASUNIC, APRIL 15, 1997

REFERRED TO CONSUMER PROTECTION AND PROFESSIONAL LICENSURE,
APRIL 15, 1997

AN ACT

1 Amending the act of December 17, 1968 (P.L.1224, No.387),
2 entitled "An act prohibiting unfair methods of competition
3 and unfair or deceptive acts or practices in the conduct of
4 any trade or commerce, giving the Attorney General and
5 District Attorneys certain powers and duties and providing
6 penalties," further requiring a notice to be attached to
7 extended warranties and a right of rescission.

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

10 Section 1. The act of December 17, 1968 (P.L.1224, No.387),
11 known as the Unfair Trade Practices and Consumer Protection Law,
12 reenacted and amended November 24, 1976 (P.L.1166, No.260), is
13 amended by adding a section to read:

14 Section 7.1. Service Assurance Agreements.--(a) A consumer
15 may avoid a service assurance agreement by notifying, in
16 writing, the seller within three full business days following
17 the day on which the service assurance agreement was entered
18 into. Such notice of rescission shall be effective upon
19 depositing the same in the United States mail or upon other
20 service which gives the seller notice of rescission.

1 (b) Service assurance agreements shall contain a prominently
2 displayed statement to the following effect:

3 WARNING REQUIRED BY LAW: A warranty, guarantee or
4 similar service assurance agreement could be meaningless
5 if the seller/provider ceases to exist or becomes
6 insolvent or bankrupt. You can cancel the purchase of a
7 service assurance agreement and receive a full refund of
8 its purchase price providing written notice to the seller
9 within three business days.

10 (c) As used in this section, "service assurance agreement"
11 shall mean an agreement between a consumer and vendor to obtain
12 services or warranty protection for a definite time and set
13 price.

14 Section 2. This act shall take effect in 60 days.