
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 544 Session of
2001

INTRODUCED BY READSHAW, GEIST, ROONEY, CALTAGIRONE, BELARDI,
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PRESTON, HARHAI, BROWNE, CLARK, LAUGHLIN, YOUNGBLOOD, BLAUM,
MICHLOVIC, SHANER AND McCALL, FEBRUARY 7, 2001

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, FEBRUARY 7, 2001

AN ACT

1 Relating to the rights of purchasers of defective new vessels.

2 The General Assembly of the Commonwealth of Pennsylvania
3 hereby enacts as follows:

4 Section 1. Short title.

5 This act shall be known and may be cited as the Vessel Lemon
6 Law.

7 Section 2. Definitions.

8 The following words and phrases when used in this act shall
9 have the meanings given to them in this section unless the
10 context clearly indicates otherwise:

11 "Dealer." A person in the business of buying, selling or
12 exchanging vessels.

13 "Manufacturer." Any person engaged in the business of
14 constructing or assembling new and unused vessels or engaged in
15 the business of importing new and unused vessels into the United

1 States for the purpose of selling or distributing new and unused
2 vessels to dealers in this Commonwealth.

3 "Manufacturer's express warranty" or "warranty." The written
4 warranty of the manufacturer of a new vessel of its condition
5 and fitness for use, including any terms or conditions precedent
6 to the enforcement of obligations under the warranty.

7 "New vessel." Any new and unused vessel propelled by other
8 than muscular power, which was purchased and is registered in
9 this Commonwealth and is used or bought for use primarily for
10 personal purposes.

11 "Nonconformity." A defect or condition which substantially
12 impairs the use, value or safety of a new vessel and does not
13 conform to the manufacturer's express warranty.

14 "Purchaser." A person, or his successors or assigns, who has
15 obtained ownership of a new vessel by transfer or purchase or
16 who has entered into an agreement or contract for the purchase
17 of a new vessel which is used or bought for use primarily for
18 personal purposes.

19 Section 3. Disclosure.

20 The Attorney General shall prepare and publish in the
21 Pennsylvania Bulletin a statement which explains a purchaser's
22 rights under this law. Manufacturers shall provide to each
23 purchaser at the time of original purchase of a new vessel a
24 written statement containing a copy of the Attorney General's
25 statement and a listing of zone offices with addresses and
26 telephone numbers and which can be contacted by the purchaser
27 for the purpose of securing the remedies provided for in this
28 act.

29 Section 4. Repair obligations.

30 (a) Repairs required.--The manufacturer of a new vessel sold

1 and registered in this Commonwealth shall repair or correct, at
2 no cost to the purchaser, a nonconformity which substantially
3 impairs the use, value or safety of the vessel which may occur
4 within a period of one year following the actual delivery of the
5 vessel to the purchaser.

6 (b) Delivery of vessel.--It shall be the duty of the
7 purchaser to deliver the nonconforming vessel to the
8 manufacturer's authorized service and repair facility within
9 this Commonwealth unless due to reasons of the nature of the
10 nonconformity such delivery cannot reasonably be accomplished.
11 If the purchaser is unable to effect return of the nonconforming
12 vessel, he shall notify the manufacturer or its authorized
13 service and repair facility. Written notice of nonconformity to
14 the manufacturer or its authorized service and repair facility
15 shall constitute return of the vessel when the purchaser is
16 unable to return the vessel due to the nonconformity. Upon
17 receipt of such notice of nonconformity, the manufacturer shall,
18 at its option, service or repair the vessel at the location of
19 nonconformity or arrange for transporting the vessel to its
20 authorized service and repair facility. All costs of
21 transporting the vessel when the purchaser is unable to effect
22 return due to nonconformity shall be at the manufacturer's
23 expense.

24 Section 5. Manufacturer's duty to refund or replace.

25 If the manufacturer fails to repair or correct a
26 nonconformity after a reasonable number of attempts, the
27 manufacturer shall, at the option of the purchaser, replace the
28 vessel with a comparable vessel of equal value or accept return
29 of the vessel from the purchaser and refund to the purchaser the
30 full purchase price, including all collateral charges, less a

1 reasonable allowance for the purchaser's use of the vessel not
2 exceeding 10% of the purchase price of the vessel. Refunds shall
3 be made to the purchaser and lienholder, if any, as their
4 interests may appear. A reasonable allowance for use shall be
5 that amount directly attributable to use by the purchaser prior
6 to his first report of the nonconformity to the manufacturer. In
7 the event the consumer elects a refund, payment shall be made
8 within 30 days of such election. A consumer shall not be
9 entitled to a refund or replacement if the nonconformity does
10 not substantially impair the use, value or safety of the vessel
11 or the nonconformity is the result of abuse, neglect or
12 modification or alteration of the vessel by the purchaser.

13 Section 6. Presumption of a reasonable number of attempts.

14 It shall be presumed that a reasonable number of attempts
15 have been undertaken to repair or correct a nonconformity if:

16 (1) the same nonconformity has been subject to repair
17 three times by the manufacturer, its agents or authorized
18 dealers and the nonconformity still exists; or

19 (2) the vessel is out of service by reason of any
20 nonconformity for a cumulative total of 30 or more calendar
21 days.

22 Section 7. Itemized statement required.

23 The manufacturer or dealer shall provide to the purchaser
24 each time the vessel is returned from being serviced or repaired
25 a fully itemized statement indicating all work performed on the
26 vessel, including, but not limited to, parts and labor. It shall
27 be the duty of a dealer to notify the manufacturer of the
28 existence of a nonconformity within seven days of the delivery
29 by a purchaser of a vessel subject to a nonconformity when it is
30 delivered to the same dealer for the second time for repair of

1 the same nonconformity. The notification shall be by certified
2 mail, return receipt requested.

3 Section 8. Civil cause of action.

4 Any purchaser of a new vessel who suffers any loss due to
5 nonconformity of the vessel as a result of the manufacturer's
6 failure to comply with this act may bring a civil action in a
7 court of common pleas and, in addition to other relief, shall be
8 entitled to recover reasonable attorney fees and all court
9 costs.

10 Section 9. Informal dispute settlement procedure.

11 If the manufacturer has established an informal dispute
12 settlement procedure which complies with the provisions of 16
13 CFR Pt. 703, the provisions of section 8 shall not apply to a
14 purchaser who has not first resorted to the settlement procedure
15 as it relates to a remedy for defects or conditions affecting
16 the substantial use, value or safety of the vessel. The informal
17 dispute settlement procedure shall not be binding on the
18 purchaser, and, in lieu of the settlement procedure, the
19 purchaser may pursue a remedy under section 8.

20 Section 10. Resale of returned vessel.

21 (a) Vehicles may not be resold.--If a vessel has been
22 returned under the provisions of this act or a similar statute
23 of another state, it may not be resold in this Commonwealth
24 unless:

25 (1) The manufacturer provides the same express warranty
26 it provided to the original purchaser except that the term of
27 the warranty need only last for 12 months after the date of
28 resale.

29 (2) The manufacturer provides the consumer with a
30 written statement on a separate piece of paper in ten point

1 all capital type in substantially the following form:

2 IMPORTANT: THIS VESSEL WAS RETURNED TO THE MANUFACTURER
3 BECAUSE IT DID NOT CONFORM TO THE MANUFACTURER'S EXPRESS
4 WARRANTY AND THE NONCONFORMITY WAS NOT CURED WITHIN A
5 REASONABLE TIME AS PROVIDED BY PENNSYLVANIA LAW.

6 The provisions of this section apply to the resold vessel for
7 the full term of the warranty required under this subsection.

8 (b) Returned vessels not to be resold.--Notwithstanding the
9 provisions of subsection (a), if a new vessel has been returned
10 under the provisions of this act or a similar statute of another
11 state because of a nonconformity resulting in a complete failure
12 of the steering system of the vessel likely to cause death or
13 serious bodily injury, the vessel may not be resold in this
14 Commonwealth.

15 Section 11. Application of unfair trade act.

16 A violation of this act shall also be a violation of the act
17 of December 17, 1968 (P.L.1224, No.387), known as the Unfair
18 Trade Practices and Consumer Protection Law.

19 Section 12. Rights preserved.

20 Nothing in this act shall limit the purchaser from pursuing
21 any other rights or remedies under any other law, contract or
22 warranty.

23 Section 13. Nonwaiver of act.

24 The provisions of this act shall not be waived.

25 Section 14. Applicability.

26 This act shall apply to new vessels purchased after the
27 effective date of this act.

28 Section 15. Effective date.

29 This act shall take effect in 60 days.