

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL

No. 1630 Session of  
2011

INTRODUCED BY TOBASH, DALEY, FLECK, MARSHALL, GEIST, KNOWLES,  
MASSER, S. H. SMITH, TURZAI, GIBBONS, MATZIE, DAVIDSON,  
DAVIS, LONGIETTI, BAKER, BARRAR, BOBACK, R. BROWN, BUXTON,  
CALTAGIRONE, CARROLL, DeLUCA, ELLIS, FRANKEL, GEORGE,  
GILLESPIE, GOODMAN, HARHART, HARRIS, HEFFLEY, HICKERNELL,  
M. K. KELLER, KOTIK, MANN, MARSICO, MICCARELLI, MICOZZIE,  
MILLER, MOUL, MUNDY, MUSTIO, PAYNE, PEIFER, PICKETT,  
SABATINA, SAINATO, SANTONI, SAYLOR, SCAVELLO, STEVENSON,  
STURLA, TOOHIL, BENNINGHOFF AND KILLION, JUNE 13, 2011

AS AMENDED ON SECOND CONSIDERATION, IN SENATE, DECEMBER 5, 2011

## AN ACT

1 Amending the act of June 28, 1947 (P.L.1110, No.476), entitled  
2 "An act defining and regulating certain installment sales of  
3 motor vehicles; prescribing the conditions under which such  
4 sales may be made and regulating the financing thereof;  
5 regulating and licensing persons engaged in the business of  
6 making or financing such sales; prescribing the form,  
7 contents and effect of instruments used in connection with  
8 such sales and the financing thereof; prescribing certain  
9 rights and obligations of buyers, sellers, persons financing  
10 such sales and others; limiting incidental charges in  
11 connection with such instruments and fixing maximum interest  
12 rates for delinquencies, extensions and loans; regulating  
13 insurance in connection with such sales; regulating  
14 reposessions, redemptions, resales and deficiency judgments  
15 and the rights of parties with respect thereto; authorizing  
16 extensions, loans and forbearances related to such sales;  
17 authorizing investigations and examinations of persons  
18 engaged in the business of making or financing such sales;  
19 prescribing penalties and repealing certain acts," further  
20 providing for revocation or suspension of licenses.

21 The General Assembly of the Commonwealth of Pennsylvania

22 hereby enacts as follows:

23 Section 1. Paragraph 14 of subsection A of section 10 of the

1 act of June 28, 1947 (P.L.1110, No.476), known as the Motor  
2 Vehicle Sales Finance Act, amended December 9, 2002 (P.L.1446,  
3 No.186), is amended to read:

4 Section 10. Revocation or Suspension of Licenses.--

5 A. The department, upon thirty (30) days' written notice to  
6 the licensee, forwarded by registered mail to the place of  
7 business of such licensee, as shown in the application for  
8 license or as amended on the license certificate in case of  
9 change of address subsequent to issuance of the license  
10 certificate, may revoke or suspend any license if it finds that:

11 \* \* \*

12 14. The licensee has engaged in unfair, deceptive,  
13 fraudulent or illegal practices or conduct in connection with  
14 any business regulated under this act[, including making ←  
15 excessive mark-ups to charges for items described in clause 1, 5  
16 or 10.1 of subsection B of section 14 or subsection E of section  
17 18 or mark-ups of costs in violation of subsection D of section  
18 18. The department shall adopt a statement of policy that  
19 contains guidelines determining mark-ups that the department  
20 finds, after reasonably considering relevant market data, not to  
21 be excessive and shall update and revise the statement of policy  
22 to reflect changing business conditions. Mark-ups consistent  
23 with the guidelines shall not be deemed excessive. Mark-ups in  
24 excess of the guidelines †and, until such time as the department ←  
25 adopts its guidelines, mark-ups for service contracts,  
26 warranties, debt cancellation agreements and debt suspension  
27 agreements in excess of 100% of the cost to the dealer† shall be ←  
28 deemed excessive.]. THE DEPARTMENT SHALL REVIEW AND INVESTIGATE ←  
29 AS APPROPRIATE, COMPLAINTS INSTITUTED BY THE DEPARTMENT IN ←  
30 RESPONSE TO EXAMINATIONS OR CONSUMER COMPLAINTS ANY CONSUMER ←

1 COMPLAINTS OR INFORMATION OBTAINED THROUGH EXAMINATIONS RELATING  
2 TO ANY ACTIVITIES REGULATED BY THIS ACT, INCLUDING THOSE  
3 PERTAINING TO CHARGES FOR SERVICE CONTRACTS, WARRANTIES, DEBT  
4 CANCELLATION AGREEMENTS AND DEBT SUSPENSION AGREEMENTS PROVIDED  
5 FOR IN SUBSECTION B OF SECTION 14. THE DEPARTMENT SHALL ANNUALLY  
6 REPORT TO THE CONSUMER PROTECTION AND PROFESSIONAL LICENSURE  
7 COMMITTEE OF THE SENATE AND THE CONSUMER AFFAIRS COMMITTEE OF  
8 THE HOUSE OF REPRESENTATIVES THE NUMBER AND DISPOSITION OF SUCH  
9 ENFORCEMENT ACTIONS AND CONSUMER COMPLAINT RESOLUTIONS.

10 \* \* \*

11 Section 2. This act shall take effect in 90 days.