## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## **HOUSE BILL**

No. 658

Session of 2015

INTRODUCED BY HARHAI, HEFFLEY, MULLERY, COHEN, MILLARD, READSHAW, KINSEY, THOMAS, MATZIE, KORTZ, BROWNLEE, GOODMAN, SNYDER, MURT AND MOUL, FEBRUARY 27, 2015

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, FEBRUARY 27, 2015

## AN ACT

- 1 Relating to the rights of purchasers and lessees of defective recreational vehicles.
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- 1 Section 15. Effective date.
- 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 Recreational
- 6 Vehicle Lemon 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,
- 12 leasing or exchanging recreational vehicles.
- 13 "Department." The Department of Transportation of the
- 14 Commonwealth.
- 15 "Manufacturer." Any person engaged in the business of
- 16 constructing or assembling new and unused recreational vehicles
- 17 or engaged in the business of importing new and unused
- 18 recreational vehicles into the United States for the purpose of
- 19 selling or distributing new and unused recreational vehicles to
- 20 dealers in this Commonwealth.
- "Manufacturer's express warranty" or "warranty." The written
- 22 warranty of the manufacturer of a new recreational vehicle of
- 23 its condition and fitness for use, including any terms or
- 24 conditions precedent to the enforcement of obligations under the
- 25 warranty.
- 26 "New recreational vehicle." Any new and unused recreational
- 27 vehicle driven upon public roads, streets or highways, which was
- 28 purchased or leased and is registered in this Commonwealth or
- 29 purchased or leased elsewhere and registered for the first time
- 30 in this Commonwealth and is used, leased or bought for use

- 1 exclusively for personal, family or household purposes,
- 2 including a vehicle used by a manufacturer or dealer as a
- 3 demonstrator or dealer recreational vehicle prior to its sale.
- 4 "Nonconformity." A defect or condition which substantially
- 5 impairs the use, value or safety of a new recreational vehicle
- 6 and does not conform to the manufacturer's express warranty.
- 7 "Purchaser." A person, or a successor or assign of the
- 8 person, who obtains possession or ownership of a new
- 9 recreational vehicle by lease, transfer or purchase or who
- 10 enters into an agreement or contract for the lease or purchase
- 11 of a new recreational vehicle which is used, leased or bought
- 12 for use exclusively for personal, family or household purposes.
- "Recreational vehicle." A motor home, pickup truck with
- 14 attached camper or bus when used exclusively for personal
- 15 pleasure by individuals.
- 16 Section 3. Disclosure.
- 17 (a) Duty of Attorney General. -- The Attorney General shall
- 18 prepare and publish in the Pennsylvania Bulletin a statement
- 19 which explains a purchaser's rights under this act.
- 20 (b) Duty of manufacturers.--A manufacturer shall provide to
- 21 each purchaser at the time of original purchase of a new
- 22 recreational vehicle a written statement containing a copy of
- 23 the Attorney General's statement and a listing of zone offices,
- 24 with addresses and telephone numbers, that the purchaser may
- 25 contact regarding the remedies provided for in this act.
- 26 Section 4. Repair obligations.
- 27 (a) Repairs required. -- The manufacturer of a new
- 28 recreational vehicle sold or leased and registered in this
- 29 Commonwealth shall repair or correct, at no cost to the
- 30 purchaser, a nonconformity which substantially impairs the use,

- 1 value or safety of the recreational vehicle which may occur
- 2 within a period of one year following the actual delivery of the
- 3 recreational vehicle to the purchaser, within the first 12,000
- 4 miles of use or during the term of the warranty, whichever may
- 5 first occur.

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- 6 (b) Delivery of recreational vehicle.--
- 7 (1) A purchaser shall deliver a nonconforming
  8 recreational vehicle to the manufacturer's authorized service
  9 and repair facility within this Commonwealth unless, due to
  10 reasons of size and weight or method of attachment or method
  11 of installation or nature of the nonconformity, delivery
  12 cannot reasonably be accomplished.
  - (2) (i) Should the purchaser be unable to effect return of the nonconforming recreational vehicle, the purchaser shall notify the manufacturer or its authorized service and repair facility.
  - (ii) Written notice of nonconformity to the manufacturer or its authorized service and repair facility shall constitute return of the recreational vehicle when the purchaser is unable to return the recreational vehicle due to the nonconformity.
  - (3) Upon receipt of notice of nonconformity, the manufacturer shall, at its option, service or repair the recreational vehicle at the location of nonconformity or pick up the recreational vehicle for service and repair or arrange for transporting the recreational vehicle to its authorized service and repair facility.
  - (4) All costs of transporting the recreational vehicle when the purchaser is unable to effect return, due to nonconformity, shall be at the manufacturer's expense.

- 1 Section 5. Manufacturer's duty for refund or replacement.
- 2 (a) Replacement or return and refund. --
- 3 If a manufacturer fails to repair or correct a nonconformity after a reasonable number of attempts, the 4 5 manufacturer shall, at the option of the purchaser, replace the recreational vehicle with a comparable recreational 6 7 vehicle of equal value or accept return of the recreational 8 vehicle from the purchaser and refund to the purchaser the 9 full purchase price or lease price, including all collateral 10 charges, less a reasonable allowance for the purchaser's use 11 of the recreational vehicle not exceeding 10¢ per mile driven 12 or 10% of the purchase price or lease price of the
- 14 (2) Refunds shall be made to the purchaser and 15 lienholder, if any, as their interests may appear.

recreational vehicle, whichever is less.

- 16 (3) A reasonable allowance for use shall be that amount
  17 directly attributable to use by the purchaser prior to the
  18 first report of the nonconformity to the manufacturer.
- 19 (b) Time for making refund.——In the event the consumer 20 elects a refund, payment shall be made within 30 days of the 21 election.
- 22 (c) Conditions precluding refund.--A consumer shall not be
- 23 entitled to a replacement or refund if the nonconformity does
- 24 not substantially impair the use, value or safety of the
- 25 recreational vehicle or the nonconformity is the result of
- 26 abuse, neglect or modification or alteration of the recreational
- 27 vehicle by the purchaser.
- 28 Section 6. Presumption of reasonable number of attempts.
- 29 It shall be presumed that a reasonable number of attempts
- 30 have been undertaken to repair or correct a nonconformity if:

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- 1 (1) the same nonconformity has been subject to repair
- 2 three times by the manufacturer, its agents or authorized
- dealers and the nonconformity still exists; or
- 4 (2) the recreational vehicle is out of service by reason
- of any nonconformity for a cumulative total of 30 or more
- 6 calendar days.
- 7 Section 7. Itemized statement required.
- 8 (a) General rule. -- A manufacturer or dealer shall provide to
- 9 the purchaser each time the purchaser's recreational vehicle is
- 10 returned from being serviced or repaired a fully itemized
- 11 statement indicating all work performed on the recreational
- 12 vehicle, including, but not limited to, parts and labor.
- 13 (b) Dealer duty to notify manufacturer.--A dealer shall
- 14 notify the manufacturer of the existence of a nonconformity
- 15 within seven days of the delivery by a purchaser of a
- 16 recreational vehicle subject to a nonconformity when it is
- 17 delivered to the same dealer for the second time for repair of
- 18 the same nonconformity. The notification shall be by certified
- 19 mail, return receipt requested.
- 20 Section 8. Civil cause of action.
- 21 The purchaser of a new recreational vehicle who suffers any
- 22 loss due to nonconformity of the new recreational vehicle as a
- 23 result of the manufacturer's failure to comply with this act may
- 24 bring a civil action in a court of common pleas and, in addition
- 25 to other relief, shall be entitled to recover reasonable
- 26 attorney fees and all court costs.
- 27 Section 9. Informal dispute settlement procedure.
- 28 If the manufacturer has established an informal dispute
- 29 settlement procedure which complies with 16 CFR Pt. 703
- 30 (relating to informal dispute settlement procedures), section 8

- 1 shall not apply to any purchaser who has not first resorted to
- 2 such procedure as it relates to a remedy for defects or
- 3 conditions affecting the substantial use, value or safety of the
- 4 recreational vehicle. The informal dispute settlement procedure
- 5 shall not be binding on the purchaser, and, in lieu of such
- 6 settlement, the purchaser may pursue a remedy under section 8.
- 7 Section 10. Resale of returned recreational vehicle.
- 8 (a) Prohibition. -- If a recreational vehicle has been
- 9 repurchased under this act or a similar statute of another
- 10 state, it may not be resold, transferred or leased in this
- 11 Commonwealth unless:
- 12 (1) The manufacturer provides the same express warranty
- it provided to the original purchaser, except that the term
- of the warranty need only last for 12,000 miles or 12 months
- 15 after the date of resale, transfer or lease, whichever is
- 16 earlier.
- 17 (2) The manufacturer provides the purchaser, lessee or
- 18 transferee with a written statement on a separate piece of
- paper, in ten-point all capital type, in substantially the
- 20 following form:
- 21 IMPORTANT: THIS RECREATIONAL VEHICLE WAS REPURCHASED BY
- 22 THE MANUFACTURER BECAUSE IT DID NOT CONFORM TO THE
- 23 MANUFACTURER'S EXPRESS WARRANTY, AND THE NONCONFORMITY
- 24 WAS NOT CURED WITHIN A REASONABLE TIME AS PROVIDED BY
- 25 PENNSYLVANIA LAW.
- 26 (3) The dealer, lessor or transferor clearly and
- conspicuously discloses the manufacturer's written
- 28 notification prior to the resale or lease of the repurchased
- 29 recreational vehicle.
- 30 (4) The dealer, lessor or transferor obtains a signed

- 1 receipt certifying in a conspicuous and understandable manner
- 2 that the written statement required under this subsection has
- 3 been provided. Access to the receipt shall be maintained for
- four years. The Attorney General shall approve the form and
- 5 content of the disclosure statement supplied by the
- 6 manufacturer.
- 7 (5) The manufacturer, dealer, lessor or transferor
- 8 applies for and receives the designation of a branded title
- 9 from the department.
- 10 (6) The department updates its records and issues a
- 11 title with a designation indicating that the recreational
- vehicle was repurchased under this act. The department shall
- forward to subsequent purchasers or lienholders, in
- accordance with 75 Pa.C.S. §§ 1107 (relating to delivery of
- 15 certificate of title) and 1132.1 (relating to perfection of a
- security interest in a vehicle), a certificate of title which
- 17 indicates that the recreational vehicle was branded under
- 18 this act. The department shall determine the exact form and
- 19 content of the title brand.
- 20 (b) Applicability and penalty. --
- 21 (1) This section applies to the resold, transferred or
- leased recreational vehicle for the full term of the warranty
- 23 required under this subsection.
- 24 (2) Failure of the manufacturer, dealer, lessor or
- transferor to notify its immediate purchaser of the
- 26 requirements of this section subjects the manufacturer,
- dealer, lessor or transferor to pay to the Commonwealth a
- civil penalty of \$2,000 per violation and, at the option of
- 29 the purchaser, to replace the recreational vehicle with a
- 30 comparable recreational vehicle of equal value or accept

- 1 return of the recreational vehicle from the purchaser and
- 2 refund to the purchaser the full purchase price, including
- all collateral charges, less a reasonable allowance for the
- 4 purchaser's use of the recreational vehicle not exceeding 10¢
- 5 per mile driven or 10% of the purchase price of the
- 6 recreational vehicle, whichever is less.
- 7 (c) Returned recreational vehicles not to be resold. --
- 8 Notwithstanding the provisions of subsection (a), if a new
- 9 recreational vehicle has been returned under this act or a
- 10 similar statute of another state because of a nonconformity
- 11 resulting in a complete failure of the braking or steering
- 12 system of the new recreational vehicle likely to cause death or
- 13 serious bodily injury if the new recreational vehicle was
- 14 driven, the new recreational vehicle may not be resold in this
- 15 Commonwealth.
- 16 (d) Agreement waiving, limiting or disclaiming rights.--An
- 17 agreement entered into by a purchaser that waives, limits or
- 18 disclaims the rights stated in this act is void as contrary to
- 19 public policy. Where applicable, the rights stated in this act
- 20 shall extend to a subsequent purchaser, lessee or transferee of
- 21 the recreational vehicle.
- 22 Section 11. Application of unfair trade act.
- 23 A violation of this act is a violation of the act of December
- 24 17, 1968 (P.L.1224, No.387), known as the Unfair Trade Practices
- 25 and Consumer Protection Law.
- 26 Section 12. Construction.
- Nothing in this act shall be construed to limit the purchaser
- 28 from pursuing any other rights or remedies under any other law,
- 29 contract or warranty.
- 30 Section 13. Nonwaiver of act.

- 1 The provisions of this act may not be waived.
- 2 Section 14. Applicability.
- 3 This act shall apply to new recreational vehicles purchased
- 4 after the effective date of this section.
- 5 Section 15. Effective date.
- 6 This act shall take effect in 60 days.