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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 882 Session of  
2017

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INTRODUCED BY STEFANO, BARTOLOTTA, BREWSTER AND BROWNE,  
SEPTEMBER 15, 2017

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REFERRED TO CONSUMER PROTECTION AND PROFESSIONAL LICENSURE,  
SEPTEMBER 15, 2017

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AN ACT

1 Amending the act of March 28, 1984 (P.L.150, No.28), entitled,  
2 "An act relating to the rights of purchasers and lessees of  
3 defective new motor vehicles," further providing for title,  
4 for short title, for definitions, for disclosure, for repair  
5 obligations, for manufacturer's duty for refund or  
6 replacement, for presumption of a reasonable number of  
7 attempts, for itemized statement required, for civil cause of  
8 action, for informal dispute settlement procedure and for  
9 resale of returned motor vehicle.

10 The General Assembly of the Commonwealth of Pennsylvania  
11 hereby enacts as follows:

12 Section 1. The title of the act of March 28, 1984 (P.L.150,  
13 No.28), known as the Automobile Lemon Law, is amended to read:

14 AN ACT

15 Relating to the rights of purchasers and lessees of defective  
16 new motor vehicles and road construction or maintenance  
17 equipment.

18 Section 2. Sections 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10 of the  
19 act are amended to read:

20 Section 1. Short title.

21 This act shall be known and may be cited as the Automobile

1 and Road Construction and Maintenance Equipment Lemon Law.

2 Section 2. Definitions.

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

6 ["Dealer" or "motor vehicle dealer."] "Dealer." A person in  
7 the business of buying, selling, leasing or exchanging vehicles  
8 or road equipment.

9 "Department." The Department of Transportation of the  
10 Commonwealth.

11 "Manufacturer." Any person engaged in the business of  
12 constructing or assembling new and unused motor vehicles or road  
13 equipment or engaged in the business of importing new and unused  
14 motor vehicles or road equipment into the United States for the  
15 purpose of selling or distributing new and unused motor vehicles  
16 [to motor vehicle] or road equipment to dealers in this  
17 Commonwealth.

18 "Manufacturer's express warranty" or "warranty." The written  
19 warranty of the manufacturer of a new [automobile] motor vehicle  
20 or road equipment of its condition and fitness for use,  
21 including any terms or conditions precedent to the enforcement  
22 of obligations under the warranty.

23 ["New motor] "Motor vehicle." Any new and unused self-  
24 propelled, motorized conveyance driven upon public roads,  
25 streets or highways which is designed to transport not more than  
26 15 persons, which was purchased or leased and is registered in  
27 the Commonwealth or purchased or leased elsewhere and registered  
28 for the first time in the Commonwealth and is used, leased or  
29 bought for use primarily for personal, family or household  
30 purposes, including a vehicle used by a manufacturer or dealer

1 as a demonstrator or dealer car prior to its sale. The term does  
2 not include motorcycles, motor homes or off-road vehicles.

3 "Nonconformity." A defect or condition which substantially  
4 impairs the use, value or safety of a [new] motor vehicle or  
5 road equipment and does not conform to the manufacturer's  
6 express warranty.

7 "Purchaser." A person, or his successors or assigns, who has  
8 obtained possession or ownership of a [new] motor vehicle by  
9 lease, transfer or purchase or who has entered into an agreement  
10 or contract for the lease or purchase of a [new] motor vehicle  
11 which is used, leased or bought for use primarily for personal,  
12 family or household purposes. The term also includes a person,  
13 including the Commonwealth or a municipality, that has obtained  
14 possession or ownership of road equipment by lease, transfer or  
15 purchase or that has entered into an agreement or contract for  
16 the lease or purchase of road equipment.

17 "Road equipment." New and unused equipment used to construct  
18 or maintain roads, streets, highways, berms, shoulders and  
19 rights-of-way abutting a road, street or highway owned and  
20 maintained by the Commonwealth or a municipality.

21 Section 3. Disclosure.

22 The Attorney General shall prepare and publish in the  
23 Pennsylvania Bulletin a statement which explains a purchaser's  
24 rights under this law. Manufacturers shall provide to each  
25 purchaser at the time of original purchase of a [new] motor  
26 vehicle or road equipment a written statement containing a copy  
27 of the Attorney General's statement and a listing of zone  
28 offices, with addresses and phone numbers, which can be  
29 contacted by the purchaser for the purpose of securing the  
30 remedies provided for in this act.

1 Section 4. Repair obligations.

2 (a) Repairs required.--The manufacturer of a [new] motor  
3 vehicle or road equipment sold or leased and registered in the  
4 Commonwealth shall repair or correct, at no cost to the  
5 purchaser, a nonconformity which substantially impairs the use,  
6 value or safety of [said] the motor vehicle [which] or road  
7 equipment. The repair or correction may occur within a period of  
8 one year following the actual delivery of the motor vehicle or  
9 road equipment to the purchaser, within the first 12,000 miles  
10 of use or during the term of the warranty, whichever may first  
11 occur.

12 (b) Delivery of vehicle.--It shall be the duty of the  
13 purchaser to deliver the nonconforming motor vehicle or road  
14 equipment to the manufacturer's authorized service and repair  
15 facility within the Commonwealth, unless, due to reasons of size  
16 and weight or method of attachment or method of installation or  
17 nature of the nonconformity, such delivery cannot reasonably be  
18 accomplished. Should the purchaser be unable to effect return of  
19 the nonconforming motor vehicle or road equipment, he shall  
20 notify the manufacturer or its authorized service and repair  
21 facility. Written notice of nonconformity to the manufacturer or  
22 its authorized service and repair facility shall constitute  
23 return of the motor vehicle or road equipment when the purchaser  
24 is unable to return the motor vehicle or road equipment due to  
25 the nonconformity. Upon receipt of such notice of nonconformity,  
26 the manufacturer shall, at its option, service or repair the  
27 motor vehicle or road equipment at the location of nonconformity  
28 or pick up the motor vehicle or road equipment for service and  
29 repair or arrange for transporting the motor vehicle or road  
30 equipment to its authorized service and repair facility. All

1 costs of transporting the motor vehicle or road equipment when  
2 the purchaser is unable to effect return, due to nonconformity,  
3 shall be at the manufacturer's expense.

4 Section 5. Manufacturer's duty for refund or replacement.

5 If the manufacturer fails to repair or correct a  
6 nonconformity after a reasonable number of attempts, the  
7 manufacturer shall, at the option of the purchaser, replace the  
8 motor vehicle or road equipment with a comparable motor vehicle  
9 or road equipment of equal value or accept return of the motor  
10 vehicle or road equipment from the purchaser and refund to the  
11 purchaser the full purchase price or lease price, including all  
12 collateral charges, less a reasonable allowance for the  
13 purchaser's use of the motor vehicle not exceeding 10¢ per mile  
14 driven or 10% of the purchase price or lease price of the motor  
15 vehicle, whichever is less[.], and for road equipment the full  
16 purchase price or lease price, including all collateral charges,  
17 less a reasonable allowance for the purchaser's use of road  
18 equipment not exceeding 10% of the purchase price or lease price  
19 of the road equipment, whichever is less. Refunds shall be made  
20 to the purchaser and lienholder, if any, as their interests may  
21 appear. A reasonable allowance for use shall be that amount  
22 directly attributable to use by the purchaser prior to his first  
23 report of the nonconformity to the manufacturer. In the event  
24 the consumer elects a refund, payment shall be made within 30  
25 days of such election. A consumer shall not be entitled to a  
26 refund or replacement if the nonconformity does not  
27 substantially impair the use, value or safety of the vehicle or  
28 the nonconformity is the result of abuse, neglect or  
29 modification or alteration of the motor vehicle or road  
30 equipment by the purchaser.

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

2 (a) General rule.--It shall be presumed that a reasonable  
3 number of attempts have been undertaken to repair or correct a  
4 nonconformity if:

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

8 (2) the motor vehicle or road equipment is out-of-  
9 service by reason of any nonconformity for a cumulative total  
10 of 30 or more calendar days.

11 (b) Time period extension.--

12 (1) The minimum number of calendar days provided for in  
13 subsection (a) (2) shall be extended by a period of not more  
14 than 30 additional calendar days if the repair cannot be  
15 completed by the manufacturer, its agent or authorized dealer  
16 by reason of war, act of terrorism, civil unrest, fire, flood  
17 or natural disaster.

18 (2) The minimum number of calendar days provided for in  
19 paragraph (1) may be extended for not more than 90 additional  
20 calendar days if the manufacturer files a sworn affidavit  
21 with the Office of Attorney General stating that repair could  
22 not be completed because of one or more of the reasons  
23 described in paragraph (1).

24 (3) Paragraphs (1) and (2) shall apply only if the  
25 manufacturer, its agent or authorized dealer lends a motor  
26 vehicle or road equipment to the owner at no charge during  
27 the period of time under paragraphs (1) and (2),  
28 respectively, that the owner's motor vehicle or road  
29 equipment is with the manufacturer, its agent or authorized  
30 dealer for repair.

1 Section 7. Itemized statement required.

2 The manufacturer or dealer shall provide to the purchaser  
3 each time the purchaser's motor vehicle or road equipment is  
4 returned from being serviced or repaired a fully itemized  
5 statement indicating all work performed on [said] the motor  
6 vehicle or road equipment, including, but not limited to, parts  
7 and labor. It shall be the duty of a dealer to notify the  
8 manufacturer of the existence of a nonconformity within seven  
9 days of the delivery by a purchaser of a motor vehicle or road  
10 equipment subject to a nonconformity when it is delivered to the  
11 same dealer for the second time for repair of the same  
12 nonconformity. The notification shall be by certified mail,  
13 return receipt requested.

14 Section 8. Civil cause of action.

15 Any purchaser of a [new] motor vehicle or road equipment who  
16 suffers any loss due to nonconformity of [such] the motor  
17 vehicle or road equipment as a result of the manufacturer's  
18 failure to comply with this act may bring a civil action in a  
19 court of common pleas and, in addition to other relief, shall be  
20 entitled to recover reasonable attorneys' fees and all court  
21 costs.

22 Section 9. Informal dispute settlement procedure.

23 If the manufacturer has established an informal dispute  
24 settlement procedure which complies with the provisions of 16  
25 CFR Pt. 703, as from time to time amended, the provisions of  
26 section 8 shall not apply to any purchaser who has not first  
27 resorted to such procedure as it relates to a remedy for defects  
28 or conditions affecting the substantial use, value or safety of  
29 the motor vehicle or road equipment. The informal dispute  
30 settlement procedure shall not be binding on the purchaser and,

1 in lieu of such settlement, the purchaser may pursue a remedy  
2 under section 8.

3 Section 10. Resale of returned motor vehicle or road equipment.

4 (a) [Vehicles] Motor vehicles or road equipment may not be  
5 resold, transferred or leased at retail or wholesale.--If a  
6 motor vehicle or road equipment has been repurchased under the  
7 provisions of this act or a similar statute of another state, it  
8 may not be resold, transferred or leased in this State unless:

9 (1) The manufacturer provides for the motor vehicle the  
10 same express warranty it provided to the original purchaser,  
11 except that the term of the warranty need only last for  
12 12,000 miles or 12 months after the date of resale, transfer  
13 or lease, whichever is earlier[.], and for road equipment the  
14 same express warranty it provided to the original purchaser,  
15 except that the term of the warranty need only last for 12  
16 months after the date of resale, transfer or lease, whichever  
17 is earlier.

18 (2) The manufacturer provides the purchaser, lessee or  
19 transferee with a written statement on a separate piece of  
20 paper, in ten point all capital type, in substantially the  
21 following form:

22 "IMPORTANT: THIS MOTOR VEHICLE OR ROAD EQUIPMENT WAS  
23 REPURCHASED BY THE MANUFACTURER BECAUSE IT DID NOT  
24 CONFORM TO THE MANUFACTURER'S EXPRESS WARRANTY AND THE  
25 NONCONFORMITY WAS NOT CURED WITHIN A REASONABLE TIME AS  
26 PROVIDED BY PENNSYLVANIA LAW."

27 (3) The motor vehicle or road equipment dealer, lessor  
28 or transferor clearly and conspicuously discloses the  
29 manufacturer's written notification prior to the resale or  
30 lease of the repurchased motor vehicle or road equipment.



1           (4) The motor vehicle or road equipment dealer, lessor  
2 or transferor obtains a signed receipt certifying in a  
3 conspicuous and understandable manner that the written  
4 statement required under this subsection has been provided.  
5 Access to the receipt shall be maintained for four years. The  
6 Attorney General shall approve the form and content of the  
7 disclosure statement supplied by the manufacturer.

8           (5) The manufacturer, dealer, lessor or transferor  
9 applies for and receives the designation of a branded title  
10 or a certificate of origin from the department.

11           (6) The department shall update its records and issue a  
12 title with a designation indicating that the motor vehicle  
13 was repurchased under the provisions of this act. The  
14 department shall forward to subsequent purchasers or  
15 lienholders, in accordance with 75 Pa.C.S. §§ 1107 (relating  
16 to delivery of certificate of title) and 1132.1 (relating to  
17 perfection of security interest in a vehicle), a certificate  
18 of title which indicates that the motor vehicle was branded  
19 under the provisions of this act. The department shall  
20 determine the exact form and content of the title brand.

21           (7) The department shall update its records and issue a  
22 certificate of origin with a designation indicating that the  
23 road equipment was repurchased under the provisions of this  
24 act. The department shall forward to subsequent purchasers or  
25 lienholders a certificate of origin that states that the road  
26 equipment was branded under the provisions of this act. The  
27 department shall determine the exact form and content of the  
28 origin brand.

29 The provisions of this section apply to the resold, transferred  
30 or leased motor vehicle or road equipment for the full term of

1 the warranty required under this subsection. Failure of the  
2 manufacturer, dealer, lessor or transferor to notify its  
3 immediate purchaser of the requirements of this section subjects  
4 the manufacturer, dealer, lessor or transferor to pay to the  
5 Commonwealth a civil penalty of \$2,000 per violation [and, at].  
6 At the option of the purchaser, [to] the manufacturer, dealer,  
7 lessor or transferor shall replace the motor vehicle with a  
8 comparable motor vehicle of equal value or accept return of the  
9 motor vehicle from the purchaser and refund to the purchaser the  
10 full purchase price, including all collateral charges, less a  
11 reasonable allowance for the purchaser's use of the motor  
12 vehicle not exceeding 10¢ per mile driven or 10% of the purchase  
13 price of the motor vehicle, whichever is less[.], or replace the  
14 road equipment with a comparable piece of road equipment of  
15 equal value or accept return of the road equipment from the  
16 purchaser and refund to the purchaser the full purchase price,  
17 including all collateral charges, less a reasonable allowance  
18 for the purchaser's use of the road equipment not exceeding 10%  
19 of the purchase price of the road equipment.

20 (b) Returned vehicles not to be resold.--Notwithstanding the  
21 provisions of subsection (a), if a [new] motor vehicle or road  
22 equipment has been returned under the provisions of this act or  
23 a similar statute of another state because of a nonconformity  
24 resulting in a complete failure of the braking or steering  
25 system of the motor vehicle or road equipment likely to cause  
26 death or serious bodily injury if the motor vehicle was driven,  
27 or the road equipment was operated, the motor vehicle or road  
28 equipment may not be resold in this Commonwealth.

29 (c) Agreement waiving, limiting or disclaiming rights.--Any  
30 agreement entered into by a purchaser that waives, limits or

1 disclaims the rights set forth in this act is void as contrary  
2 to public policy. Where applicable, the rights set forth in this  
3 act shall extend to a subsequent purchaser, lessee or transferee  
4 of the motor vehicle or road equipment.

5 Section 3. This act shall take effect in 60 days.