

Legislation Text

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Amending Title 9 of The Philadelphia Code, entitled "Regulation of Businesses, Trades and Professions," by adding a new Section 9-630, entitled "Sale of Used Cars," providing for protections against sale of cars in need of substantial repairs, commonly known as a "lemon law"; all under certain terms and conditions.  
*THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:*

SECTION 1. Title 9 of The Philadelphia Code is amended to read as follows:

**TITLE 9. REGULATION OF BUSINESSES, TRADES AND PROFESSIONS.**

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**CHAPTER 9-600. SERVICE AND OTHER BUSINESSES.**

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**§ 9-630. Sale of Used Cars.**

*(1) For purposes of this Section,*

*(a) A "Certified Inspection Mechanic" shall be any person authorized by the Pennsylvania Department of Transportation to perform an inspection under 75 Pa. C.S. § 4702 or any regulations promulgated thereunder.*

*(b) An "Undisclosed Major Structural Defect" shall be one of the following defects in a motor vehicle which is offered for sale and represented to be roadworthy, when the seller fails to disclose the condition:*

- 1.) frame is bent, cracked, or twisted;*
- 2.) engine block or head cracked;*
- 3.) transmission damaged, defective, or so deteriorated as to require replacement;*
- 4.) vehicle is flood damaged;*
- 5.) differential is damaged, defective, or so deteriorated as to require replacement;*
- 6.) vehicle is unable to pass state inspection.*

*(c) A "dealer" shall be a person in the business of buying, selling, leasing or exchanging vehicles.*

(2) *Any person who purchases a used motor vehicle from a dealer in used or new motor vehicles shall have the right to return such vehicle to the dealer up to seventy-two (72) hours after taking delivery of the vehicle if the vehicle is found by a Certified Inspection Mechanic to have an Undisclosed Major Structural Defect and the Certified Inspection Mechanic identifies the defect in writing.*

(3) *Upon return of any such vehicle, the dealer shall have the option of repairing the Undisclosed Major Structural Defect, at the dealer's sole expense, within ten (10) business days of return, or refunding all moneys paid for such vehicle, including any tax, delivery fees or other incidental charges.*

(4) *No sale shall be exempt from the provisions of this Section merely because the purchaser agreed to buy the vehicle "as is" or "without warranty," unless the purchaser agrees, in writing, that the purchase is for an "unroadworthy" vehicle.*

(5) *A dealer in used or new motor vehicles who, in connection with the sale of a used motor vehicle, sells a warranty to the purchaser of the vehicle purporting to cover the cost of parts and/or labor for repairs to the vehicle, shall provide a copy of the written warranty to the purchaser within fifteen (15) days of payment for the warranty, and shall perform the undertakings set forth in the warranty promptly upon presentation of the warranted vehicle for repair. At the time of purchase, the dealer shall disclose to the purchaser, in writing in large capital letters, whether the warranty is provided by the dealer, the manufacturer or a third party.*

(6) *No dealer in used or new motor vehicles shall sell any used motor vehicle unless such dealer informs the purchaser, in writing, at the time of sale, (a) whether any one of the six (6) delineated Undisclosed Major Structural Defects exists; and (b) that the purchaser has the right to return such vehicle and the timeframe required for any such return, as set forth in this Section*

*(7) Administration and Enforcement.*

(a) *Any person aggrieved by a violation of this Section may report such violation to the Mayor's Office of Consumer Affairs, or such other office as the Mayor shall designate. Said Office shall perform such investigation as it deems appropriate, and refer the matter to the Department for enforcement.*

(b) *In addition to the penalties set forth in Section 9-105, any dealer found to be in violation of this Section shall be subject to reprimand, suspension or revocation of his or her automobile seller's license in accordance with section 9-601(4) and (5) and/or business privilege license. The Department shall revoke or suspend a license pursuant to this subsection if, after due process, it determines that the violation was willful or repetitive. Upon good cause shown, the Department shall reinstate any such license.*

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**Explanation:**

[Brackets] indicate matter deleted.  
*Italics* indicate new matter added.