

No. 2014-185

AN ACT

HB 2345

Amending Titles 13 (Commercial Code) and 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, in general provisions, providing for construction; and in particular rights and immunities, further providing for required disclosures in connection with rental-purchase agreement and for lessee's right to acquire ownership.

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

Section 1. Title 13 of the Pennsylvania Consolidated Statutes is amended by adding a section to read:

§ 1109. Construction.

Nothing in this title shall be construed to modify or supersede the provisions of 42 Pa.C.S. Ch. 69 (relating to particular rights and immunities).

Section 2. Sections 6903(a)(10) and 6905 of Title 42 are amended to read:

§ 6903. Required disclosures in connection with rental-purchase agreement.

(a) General rule.—A lessor shall disclose all of the following in a clear and conspicuous manner:

* * *

(10) That the lessee has the option to purchase the rented property at any time **[and at what price or by what formula or method the purchase price will be determined]** *at a price or by a formula or method specified in the rental-purchase agreement.*

* * *

§ 6905. Lessee's right to acquire ownership.

(a) Limitation on cost of lease services.—The total amount charged by the lessor for the cost of lease services in a rental-purchase transaction shall not exceed the cash price of the property.

(b) Acquisition of ownership.—**[At]** *A rental-purchase agreement must provide that at any time after tendering an initial rental payment, a lessee may acquire ownership of the property that is the subject of the rental-purchase agreement [by tendering an amount equal at a maximum to the amount by which the cash price of the leased property exceeds 50% of all rental payments made by the lessee.] at a price or by a formula or method specified in the rental-purchase agreement.*

(c) *Chart.—A rental-purchase agreement must be accompanied by a chart showing the amount required to exercise the option to purchase the rented property after each rental payment if rental payments are made as scheduled.*

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

APPROVED—The 27th day of October, A.D. 2014

TOM CORBETT