

No. 84

AN ACT

HB 563

Amending the act of June 28, 1947 (P.L.1110, No.476), entitled "An act defining and regulating certain installment sales of motor vehicles; prescribing the conditions under which such sales may be made and regulating the financing thereof; regulating and licensing persons engaged in the business of making or financing such sales; prescribing the form, contents and effect of instruments used in connection with such sales and the financing thereof; prescribing certain rights and obligations of buyers, sellers, persons financing such sales and others; limiting incidental charges in connection with such instruments and fixing maximum interest rates for delinquencies, extensions and loans; regulating insurance in connection with such sales; regulating repossessions, redemptions, resales and deficiency judgments and the rights of parties with respect thereto; authorizing extensions, loans and forbearances related to such sales; authorizing investigations and examinations of persons engaged in the business of making or financing such sales; prescribing penalties and repealing certain acts," providing for an exemption from finance charges for FHA or VA insured sales on credit or loans.

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

Section 1. Section 19, act of June 28, 1947 (P.L.1110, No.476), known as the "Motor Vehicle Sales Finance Act," is amended by adding a subsection to read:

Section 19. Finance Charges.—

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F. The maximum finance charge prescribed by this act shall not apply to any sale on credit or loan insured or guaranteed in whole or in part by the Federal Housing Administration, the Veterans' Administration or any other department or agency of the United States Government: Provided, That any such sale on credit or loan is subject to a maximum rate of interest established by law or by such department or agency.

Section 2. This act shall take effect immediately.

APPROVED—The 1st day of August, A. D. 1975.

MILTON J. SHAPP