

LAWS OF DELAWARE
VOLUME 85
CHAPTER 28
153rd GENERAL ASSEMBLY
FORMERLY
SENATE BILL NO. 74

AN ACT TO AMEND CHAPTER 76, TITLE 6 OF THE DELAWARE CODE RELATING TO THE DELAWARE LEASE-PURCHASE AGREEMENT ACT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Chapter 76, Title 6 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows and by redesignating accordingly:

§ 7601. Definitions.

Unless the context or subject matter otherwise clearly requires, the following definitions shall govern construction of this chapter:

(1) “Advertisement” means a commercial message in any medium that aids, promotes or assists, directly or indirectly, a lease-purchase agreement.

(2) “Cash price” means that price at which the lessor would have sold the property to the lessee for cash on the date of the lease-purchase agreement if the transaction were a sale instead of a lease-purchase agreement.

(3) “Consummation” means the time a lessee becomes contractually obligated on a lease-purchase agreement.

(4) “Lease-purchase agreement” means an agreement for the use of personal property by a natural person primarily for personal, family or household purposes, for an initial period of 4 months or less that is automatically renewable with each payment after the initial period, but does not obligate or require the lessee to continue leasing or using the property beyond the initial period, and that permits the lessee to become the owner of the property.

(5) “Lease-purchase property” means personal property that is owned by the lessor at the time it is physically displayed and offered for lease-purchase to the consumer, and prior to execution of any lease-purchase agreement.

~~(5)(6)~~ “Lessee” means a natural person who rents personal property under a lease-purchase agreement to be used primarily for personal, family or household purposes.

~~(6)(7)~~ “Lessor” means a person who regularly provides the use of property through lease-purchase agreements and to whom lease payments are initially payable on the face of the lease-purchase agreement.

§ 7606. Advertising.

(a) Prohibition. — An advertisement for a lease-purchase agreement may not state or imply that a specific item is available at specific amounts or terms unless the lessor usually and customarily offers or will offer that item at those amounts or terms.

(b) Disclosures. — If an advertisement for the lease-purchase agreement of a specific item refers to or states the amount of any payment, or the right to acquire ownership, the advertisement must also clearly and conspicuously state the following terms as applicable:

(1) That the transaction advertised is a lease-purchase ~~agreement;~~ agreement.

(2) The total amount of the lease payments necessary to acquire ~~ownership;~~ and ownership.

(3) That the lessee will not own the property until the total amount necessary to acquire ownership is paid in full or by prepayment as provided for by law.

(c) Item price disclosures. — Every item of lease-purchase property displayed or offered under a lease-purchase agreement shall have clearly and conspicuously indicated in Arabic numerals, so as to be readable and understandable by visual inspection, each of the following affixed to the item:

(1) The cash price of the ~~item;~~ and item.

(2) The amount of the lease payment and the total amount of the lease payments necessary to acquire ownership.

(d) Nonapplication. — This section does not apply to the owner or personnel, as such, of any medium in which an advertisement appears or through which it is disseminated.

(e) Information on online displays or offers. — For any lease-purchase property displayed or offered online and for which a consumer can enter into a lease-purchase agreement online or remotely through electronic commerce, a lessor may satisfy the requirements of subsection (c) of this section by electronic disclosure, clearly and conspicuously indicated in Arabic

numerals that are readable and understandable by visual inspection, provided that this information is disclosed to the lessee before any of the disclosures required in § 7603 of this title.

(f) Information on displays or offers of third-party inventory. — When personal property that is not lease-purchase property is offered for lease-purchase by a lessor, a lessor shall provide the information described in subsection (c) of this section by electronic disclosure, clearly and conspicuously indicated in Arabic numerals that are readable and understandable by visual inspection, provided that this information is disclosed to the lessee before any of the disclosures required in § 7603 of this title.

Approved May 22, 2025