

# MAINE STATE LEGISLATURE

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# 132nd MAINE LEGISLATURE

## FIRST SPECIAL SESSION-2025

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**Legislative Document**

**No. 1296**

S.P. 526

In Senate, March 25, 2025

### **An Act to Amend the Law Governing Watercraft Franchisor Warranty Reimbursements**

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Reference to the Committee on Housing and Economic Development suggested and ordered printed.

A handwritten signature in black ink, appearing to read "D M Grant", is positioned above the printed name of the Secretary of the Senate.

DAREK M. GRANT  
Secretary of the Senate

Presented by Senator RENY of Lincoln.  
Cosponsored by Representative STROUT of Harrington and  
Senators: CURRY of Waldo, INGWERSEN of York, MOORE of Washington,  
TIMBERLAKE of Androscoggin, TIPPING of Penobscot, Representatives: HEPLER of  
Woolwich, PARRY of Arundel, WOOD of Norway.

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 10 MRSA §1197, sub-§1**, as enacted by PL 1991, c. 631, is amended to read:

**1. Parts or labor; satisfaction of warranty.** If a franchisor requires or permits a franchisee to perform labor or provide parts to satisfy a warranty created by the franchisor, the franchisor shall properly and promptly fulfill its warranty obligations and:

A. Reimburse the franchisee at the retail rate customarily charged for ~~any all parts provided~~ used by the franchisee to satisfy the warranty. If the franchisor provides a part to the franchisee for a specific warranty repair, the franchisor shall compensate the franchisee for the difference between the cost of the part to the franchisee and the full retail price of the part, which may not exceed 100% of the total reimbursement cost under paragraph B of the labor required to perform the repair; and

B. Reimburse the franchisee for any actual labor performed by the franchisee to satisfy the warranty, which must be reasonable and supported by the franchisee's records. Reimbursement for labor may not be less than the retail rate customarily charged by that franchisee for the same labor when not performed to satisfy a warranty. To be entitled to reimbursement under this section, a franchisee must post in a place conspicuous to service customers the rate for labor not performed to satisfy a warranty.

## SUMMARY

This bill amends the law governing watercraft franchisor warranty reimbursements by requiring the franchisor to compensate the franchisee for parts used by the franchisee to conduct a specific warranty repair and, for a part provided by the franchiser, the difference between the cost of a part and the retail price of a part, which may not exceed 100% of the reimbursement cost of the labor to perform the repair. The bill also requires that labor billed by a franchisee to perform a warranty repair be reasonable and supported by the franchisee's records.