

# MAINE STATE LEGISLATURE

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# 132nd MAINE LEGISLATURE

## SECOND REGULAR SESSION-2026

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Legislative Document

No. 2179

S.P. 884

In Senate, January 27, 2026

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### An Act to Amend Certain Motor Vehicle Laws

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Submitted by the Secretary of State pursuant to Joint Rule 203.  
Reference to the Committee on Transportation suggested and ordered printed.

A handwritten signature in black ink that reads "DAREK M. GRANT".

DAREK M. GRANT  
Secretary of the Senate

Presented by Senator NANGLE of Cumberland.

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

2        **Sec. 1. 29-A MRSA §451, sub-§6**, as amended by PL 2023, c. 421, §4, is repealed.

3        **Sec. 2. 29-A MRSA §951, sub-§1**, as amended by PL 1997, c. 776, §29, is further  
4        amended to read:

5        **1. Definition.** A person is "engaged in the business of buying, selling, exchanging,  
6        offering to negotiate, negotiating or advertising a sale of vehicles or equipment" if that  
7        person:

- 8        A. Buys or acquires vehicles or equipment for the purpose of resale;
- 9        B. Sells more than 5 vehicles or pieces of equipment in any 12-month period; or
- 10        C. Advertises in any form 3 or more vehicles or pieces of equipment for sale or displays  
11        3 or more vehicles or pieces of equipment for sale within a 30-day period, in any  
12        location, including on premises controlled by that person;;
- 13        D. Acts in any capacity as an agent, representative or intermediary for the owner of a  
14        vehicle or piece of equipment for the purpose of selling, leasing, consigning, brokering  
15        or otherwise transferring the vehicle or piece of equipment; or
- 16        E. Acts in any capacity as an agent, representative or intermediary for a purchaser,  
17        lessee or other person seeking to buy, lease or acquire a vehicle or piece of equipment.

18        Vehicles owned and registered by that person for at least 6 months are not included for  
19        purposes of this definition.

20        **Sec. 3. 29-A MRSA §951, sub-§2**, as amended by PL 2005, c. 433, §13 and  
21        affected by §28, is further amended to read:

22        **2. Dealers must be licensed.** A person may not engage in the business of buying,  
23        selling, exchanging, offering to negotiate, negotiating or advertising a sale of vehicles or  
24        equipment unless that person has been issued a license under this subchapter. A dealer  
25        licensed by any other jurisdiction who that sells vehicles or equipment only to licensed  
26        dealers in this State is exempt from this subsection. Violation of this subsection is a Class  
27        E crime.

28        **Sec. 4. 29-A MRSA §951, sub-§4**, as amended by PL 2005, c. 71, §1, is further  
29        amended to read:

30        **4. Exemptions.** Financial institutions, as defined in Title 9-B, section 131, subsections  
31        17 and 17-A, are exempt from the requirements of this section when selling vehicles or  
32        equipment repossessed and sold by full-time employees of the institution. Financial  
33        institutions that do not use full-time employees to repossess and sell vehicles or equipment  
34        must use dealers licensed pursuant to this chapter.

35        Any public or nonprofit organization that, for the purpose of making vehicles available to  
36        low-income persons, accepts donated vehicles and provides them to low-income persons  
37        at a cost that is no more than the cost of ensuring that the vehicle is in good operating  
38        condition is exempt from the requirements of this section. A public or nonprofit  
39        organization that transfers a vehicle under this subsection is subject to the provisions of  
40        Title 10, chapter 217 and shall register with the Secretary of State and maintain a certificate  
41        of training as required by the Secretary of State.

1 Any public or nonprofit organization whose sole or primary purpose is to provide  
2 transportation for persons 65 years of age or older that accepts donated vehicles for the  
3 purpose of providing that transportation or accepts in trade for transportation services the  
4 vehicles belonging to persons 65 years of age or older who use those transportation services  
5 is exempt from the requirements of this section. A public or nonprofit organization that  
6 transfers a vehicle under this subsection is subject to the provisions of Title 10, chapter 217  
7 and shall register with the Secretary of State and maintain a certificate of training as  
8 required by the Secretary of State.

9 **Sec. 5. 29-A MRSA §954-A, sub-§3**, as enacted by PL 1993, c. 683, Pt. A, §2 and  
10 affected by Pt. B, §5 and reallocated by PL 2023, c. 257, §7, is amended to read:

11 **3. Trucks.** A temporary registration plate may not be used on a loaded truck ~~without~~  
12 ~~a written permit from the Secretary of State.~~

13 **Sec. 6. 29-A MRSA §958** is enacted to read:

14 **§958. Online used car dealer licensure and regulation**

15 **1. Online used car dealer; definition.** As used in this section, unless the context  
16 otherwise indicates, "online used car dealer" means a licensed used motor vehicle dealer  
17 ~~that conducts sales exclusively through electronic or digital platforms and does not operate~~  
18 ~~a physical retail display location in this State. An online used car dealer may partner with~~  
19 ~~a service center or inspection station licensed in this State as required by law but may not~~  
20 ~~maintain an in-person sales lot.~~

21 **2. Licensure and regulation.** The bureau shall conduct a 2-year pilot program to  
22 license and regulate online used car dealers operating under this section. The bureau ~~may~~  
23 license and regulate online used car dealers operating under this section.

24 **3. Eligibility.** To qualify for licensure as an online used car dealer, an applicant must:

- 25 **A. Hold valid authority as a corporation or limited liability entity in good standing**  
26 ~~with the Secretary of State;~~
- 27 **B. Demonstrate motor vehicle sales in multiple jurisdictions within the United States;**
- 28 **C. Provide proof of a minimum of 100 annual motor vehicle sales; and**
- 29 **D. Meet all background check requirements established by the Secretary of State.**

30 **4. Application for license.** The following provisions govern the application for a  
31 license for an online used car dealer.

- 32 **A. An online used car dealer shall apply for a license in accordance with the**  
33 ~~requirements under section 901.~~
- 34 **B. An online used car dealer is exempt from the established place of business**  
35 ~~requirements set forth in sections 851 to 952 but may maintain a physical location in~~  
36 ~~this State. If an online used car dealer elects to establish or operate a physical office,~~  
37 ~~inspection station or repair facility in this State, that location must fully comply with~~  
38 ~~all applicable dealer licensing standards and regulatory requirements in effect for used~~  
39 ~~car dealer licensees.~~
- 40 **C. An online used car dealer shall file with the Secretary of State and maintain a surety**  
41 ~~bond of \$350,000.~~

1                   D. The annual fee for an online used car dealer license is \$500.

2                   **5. License requirements.** Unless expressly modified by this section, an online used  
3                   car dealer is subject to and shall comply with all applicable laws, rules and regulations  
4                   governing the licensing and sale of new and used motor vehicles in this State.

5                   **6. Disclosure requirements.** The following provisions govern online used car dealer  
6                   disclosures.

7                   A. An online used car dealer is exempt from the physical display requirements set  
8                   forth in Title 10, sections 1474 and 1475. At the time of an electronic or digital display  
9                   on an electronic or digital platform, an online used car dealer shall provide a consumer  
10                  with a disclosure consistent with the requirements of Title 10, chapter 217 and the  
11                  Federal Trade Commission's Used Motor Vehicle Trade Regulation Rule in 16 Code  
12                  of Federal Regulations, Part 455.

13                  B. A disclosure form authorized by this State must be provided to the purchaser at the  
14                  time of delivery to the purchaser, signed by the purchaser and retained by the online  
15                  used car dealer in compliance with the record-keeping requirements of Title 10, chapter  
16                  217.

17                  **7. Inspection requirements.** The following provisions govern inspections of motor  
18                  vehicles under this section.

19                  A. A motor vehicle sold by an online used car dealer must pass an inspection in this  
20                  State prior to sale. A reconstructable motor vehicle as defined in Title 10, section 1471,  
21                  subsection 6-A or an unsafe motor vehicle may not be sold by an online used car dealer.

22                  B. A motor vehicle sold to a purchaser in this State must be inspected by an inspection  
23                  station licensed in this State prior to delivery to the purchaser and must display a valid  
24                  inspection sticker issued within 60 days of sale.

25                  **8. Inspection stations; repair facilities.** The following provisions govern inspection  
26                  stations and repair facilities in relation to online used car dealers.

27                  A. An online used car dealer may obtain a license for an inspection station in this State.  
28                  All standards governing inspection stations apply to such an inspection station.

29                  B. An online used car dealer may partner with an inspection station in this State. The  
30                  partner inspection station must be included in the application for licensure and renewal.  
31                  The partnership must be set out in writing. Any changes to the partnership must be  
32                  immediately disclosed to the bureau.

33                  C. The failure of an online used car dealer to obtain a license for an inspection station  
34                  in this State or to have a partner inspection station in this State is grounds for  
35                  suspension of a license issued pursuant to subsection 4.

36                  D. An online used car dealer that does not maintain a repair facility in this State shall,  
37                  in writing, disclose to a vehicle purchaser the name, address and contact information  
38                  of a designated repair facility or a partner location authorized to perform required  
39                  warranty service. The disclosure must be provided at or before the time of the vehicle  
40                  sale and included in the online used car dealer's warranty documentation.

1           **9. Records.** All sales and transaction records must be maintained in accordance with  
2           section 956, may be kept electronically and must be produced within one business day upon  
3           request of the Secretary of State, the Attorney General or a law enforcement officer.

4           **10. Plates.** An online used car dealer is not eligible for dealer plates. Temporary  
5           plates issued by this State may be issued only for sales to purchasers in this State.

6           **11. Contact information.** An online used car dealer shall:

7           A. Provide a direct-access telephone number to a designated corporate representative  
8           of the online used car dealer who is authorized to assist the bureau and the Office of  
9           the Attorney General in resolving consumer complaints and inquiries and in obtaining  
10           required records;

11           B. Provide written customer support contact information, including a toll-free  
12           telephone number and electronic communication address, to each purchaser at the time  
13           of sale; and

14           C. Maintain business hours at reasonable times during which a customer can contact  
15           the online used car dealer.

16           **12. Enforcement.** The following provisions govern enforcement of this section.

17           A. An online used car dealer's failure to comply with the provisions of this section,  
18           including inspection, disclosure, warranty obligations or record retention, constitutes  
19           grounds for license suspension or revocation under section 903.

20           B. Breach of a consumer sales contract by an online used car dealer is expressly  
21           grounds for administrative action, including license suspension or revocation under  
22           section 903.

23           C. An online used car dealer shall designate an agent registered in this State to accept  
24           service of process. The name and contact information of the registered agent must be  
25           provided to the bureau.

26           **13. Rulemaking.** The Secretary of State may adopt rules to implement this section,  
27           including licensing procedures, disclosure formats, inspection coordination and reporting  
28           requirements. Rules adopted under this subsection are routine technical rules as defined in  
29           Title 5, chapter 375, subchapter 2-A.

30           **14. Repeal.** This section is repealed December 31, 2028.

31           **Sec. 7. Report.** The Secretary of State shall submit a report to the joint standing  
32           committee of the Legislature having jurisdiction over transportation matters no later than  
33           January 15, 2028 evaluating the effectiveness, risks and consumer protection outcomes of  
34           online used car dealer licensure and regulation established in the Maine Revised Statutes,  
35           Title 29-A, section 958. The joint standing committee of the Legislature having jurisdiction  
36           over transportation matters may report out legislation regarding the Secretary of State's  
37           report to the Second Regular Session of the 133rd Legislature.

38           

## SUMMARY

39           This bill makes the following changes to the laws governing motor vehicles.

40           1. It eliminates the requirement to produce license plates at the Bolduc Correctional  
41           Facility.

1           2. It amends the definition of "engaged in the business of buying, selling, exchanging,  
2 offering to negotiate, negotiating or advertising a sale of vehicles" to add equipment.

3           3. It provides that a loaded truck cannot be operated on a temporary registration plate.

4           4. It authorizes the Department of the Secretary of State, Bureau of Motor Vehicles,  
5 until December 31, 2028, to license and regulate used car dealers that sell vehicles  
6 exclusively online. The Secretary of State must submit a report to the joint standing  
7 committee of the Legislature having jurisdiction over transportation matters no later than  
8 January 15, 2028 evaluating the effectiveness, risks and consumer protection outcomes of  
9 online used car dealer licensure and regulation. The joint standing committee of the  
10 Legislature having jurisdiction over transportation matters may report out legislation  
11 regarding the Secretary of State's report to the Second Regular Session of the 133rd  
12 Legislature.