## MAINE STATE LEGISLATURE

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#### STATE OF MAINE 118TH LEGISLATURE

## FIRST REGULAR SESSION AND FIRST SPECIAL SESSION

# BILL SUMMARIES JOINT STANDING COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT

#### **JULY 1997**

MEMBERS: Sen. John T. Jenkins, Chair Sen. Anne M. Rand Sen. Bruce W. MacKinnon

Rep. Marc J. Vigue, Chair Rep. Rosaire J. Sirois Rep. Richard R. Farnsworth Rep. Thomas P. Shannon Rep. Thomas J. Wright Rep. Robert A. Cameron Rep. Thomas W. Murphy, Jr. Rep. William E. Bodwell, II Rep. Jay MacDougall Rep. Adam Mack

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#### ONE HUNDRED EIGHTEENTH LEGISLATURE FIRST REGULAR AND FIRST SPECIAL SESSIONS

## Summary Of Legislation Before The Joint Standing Committees August 1997

We are pleased to provide this summary of bills that were considered by the 15 Joint Standing Committees of the Maine Legislature staffed by this office. The document is a compilation of bill summaries which describe each bill, committee amendments and other relevant amendments, as well as the final action taken on the bill. Also included are statistical summaries of bill activity this Session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills handled by the joint standing committees. It is organized alphabetically by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, <u>History and Final Disposition of Legislative Documents</u>, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

CARRIED OVER	Bill carried over to Second Regular Session
DIED BETWEEN BODIES	
DIED IN CONCURRENCE	One body accepts ONTP report; the other indefinitely postpones the bill
DIED ON ADJOURNMENT	Action incomplete when session ended; bill died
EMERGENCY	Enacted law takes effect sooner than 90 days
FAILED EMERGENCY ENACTMENT/FINAL	PASSAGE Emergency bill failed to get 2/3 vote
FAILED ENACTMENT/FINAL PASSAGE	
FAILED MANDATE ENACTMENT	Bill imposing local mandate failed to get 2/3 vote
INDEF PP	Bill Indefinitely Postponed
ONTP	Bill imposing local mandate failed to get 2/3 voteBill Indefinitely PostponedOught Not To Pass report accepted
OTP ND	
OTP ND/NT	
<i>P&amp;S XXX</i>	Chapter # of enacted Private & Special Law
PUBLIC XXX	
RESOLVE XXX	
VETO SUSTAINED	Legislature failed to override Governor's Veto

Please note the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is June 26, 1997 and September 19, 1997 for the First Special Session.

David E. Boulter, Director

Sponsor(s)	Committee Report	Amendments Adopted
CAMPBELL	OTP-AM	H-625
BENNETT		

LD 1197 proposed to require a recreational vehicle franchiser to reimburse a franchisee at the retail rate customarily charged for any parts provided by a franchisee to satisfy a warranty and to reimburse a franchisee for any labor performed by the franchisee to satisfy a warranty.

**Committee Amendment "A" (H-625)** replaced the bill and proposed to regulate the business practices between recreational vehicle manufacturers and dealers. A recreation vehicle included, but was not limited to, a camping trailer, fifth-wheel trailer, travel trailer and truck camper.

The amendment provided essentially the same protections for recreational vehicle dealers that Maine laws extends to motor vehicle dealers. Some of the protections included:

- 1. Manufacturer warranty work provided by a dealer must be reimbursed by the manufacturer at the retail rate customarily charged by the dealer for the same labor when not performed for warranty work. Reimbursement to a dealer for parts to satisfy warranty work would be calculated on the dealer cost of the parts plus a 20% mark-up.
- 2. A dealership could not be terminated without proper notice, as described under the Maine Revised Statutes, Title 10, chapter 214-A, good faith and good cause for termination.
- 3. A manufacturer could not coerce a dealer to accept recreational vehicles, parts or accessories that the dealer had not ordered.
- 4. Affected dealers could appeal and stop with "good cause" a manufacturer's decision to establish a new dealership in another dealer's relevant market area.

#### Enacted law summary

Public Law 1997, chapter 427 regulates the business practices between recreational vehicle manufacturers and dealers. A recreation vehicle includes, but is not limited to, a camping trailer, fifth-wheel trailer, travel trailer and truck camper.

Public Law 1997, chapter 427 provides essentially the same protections for recreational vehicle dealers that Maine laws extend to motor vehicle dealers. Some of these protections are as follows.

1. Manufacturer warranty work provided by a dealer must be reimbursed by the manufacturer at the retail rate customarily charged by the dealer for the same labor when not performed for warranty work. Reimbursement to a dealer for parts to satisfy warranty work will be calculated on the dealer cost of the parts plus a 20% mark-up.

- 2. A dealership may not be terminated without proper notice, as described under the Maine Revised Statutes, Title 10, chapter 214-A, good faith and good cause for termination.
- 3. A manufacturer may not coerce a dealer to accept recreational vehicles, parts or accessories that the dealer has not ordered.
- 4. Affected dealers may appeal and stop with "good cause" a manufacturer's decision to establish a new dealership in another dealer's relevant market area.

### LD 1214 An Act to Provide a Warranty for Assistive Devices for Persons with Disabilities

**PUBLIC 235** 

Sponsor(s)Committee ReportAmendments AdoptedFULLEROTP-AMH-290

LD 1214 proposed to provide a trial period and warranty for assistive devices for persons with disabilities. It would require that all assistive devices be sold subject to a 30-day trial, during which period a consumer may return the assistive device for a full refund if the assistive device had not been damaged, abused or altered by the consumer. The refund would have to be returned to the funding source if the device was purchased with insurance or public funds. The bill also proposed to require a manufacturer who sells or leases assistive devices to guarantee expressly that the assistive device is free from any condition or defect that substantially impairs its value. In the case of a sale, the warranty must be in effect at least one year after first delivery. A warranty must be in effect for the duration of a lease. The bill would require that a nonconformity reported during the warranty period be repaired at no charge to the consumer and that a comparable assistive device be loaned if the repair requires more than three days. If a reasonable attempt to repair the assistive device had been made without success, the manufacturer must accept return of the assistive device and either refund the purchase price or replace the assistive device. LD 1214 would further require that a manufacturer of an assistive device that is returned provide a clear written disclosure and description of the nonconformity to any subsequent purchaser. The bill would allow a consumer to bring an action to recover for damages caused by a violation and to collect twice the amount of a pecuniary loss, plus reasonable costs and attorney's fees. Under this bill, any waiver of rights by a consumer would be void.

Committee Amendment "A" (H-290) proposed to clarify that a warranty for an assistive device must be in effect as long as the device is used within manufacturer specifications. This amendment proposed to exempt hearing aids from the definition of assistive device as hearing aids are currently regulated by the Board of Hearing Aid Dealers and Fitters. The 30-day trial period would be amended to apply to situations in which the assistive device is not specifically fit for the consumer's particular needs. Language would be added to protect the dealer of assistive devices in situations when, upon the sale of the device, the dealer had no reasonable way of knowing the consumer would use the device as an assistive device. Additional word changes were made to clarify the intent of the bill.

#### Enacted law summary

Public Law 1997, chapter 235 provides a trial period and warranty for assistive devices for persons with disabilities. It requires that all assistive devices be sold subject to a 30-day trial, during which period a consumer may return the assistive device for a full refund if the assistive device has not been damaged, abused or altered by the consumer. The 30-day trial period applies to situations in which the assistive device is not specifically fit for the consumer's particular needs. A warranty for an assistive device must be in effect as long as the device is used