

# 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:***

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*Sen. Anne M. Rand*

*Sen. Bruce W. MacKinnon*

*Rep. Marc J. Vigue, Chair*

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*Rep. Adam Mack*

***Staff:***

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**Maine State Legislature**

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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, History and Final Disposition of Legislative Documents, 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](http://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*
- CON RES XXX*.....*Chapter # of Constitutional Resolution passed by both Houses*
- CONF CMTE UNABLE TO AGREE*.....*Committee of Conference unable to agree; bill died*
- DIED BETWEEN BODIES*.....*House & Senate disagree; bill died*
- 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*.....*Bill failed to get majority vote*
- FAILED MANDATE ENACTMENT*.....*Bill imposing local mandate failed to get 2/3 vote*
- INDEF PP*.....*Bill Indefinitely Postponed*
- ONTP*.....*Ought Not To Pass report accepted*
- OTP ND*.....*Committee report Ought To Pass In New Draft*
- OTP ND/NT*.....*Committee report Ought To Pass In New Draft/New Title*
- P&S XXX*.....*Chapter # of enacted Private & Special Law*
- PUBLIC XXX*.....*Chapter # of enacted Public Law*
- RESOLVE XXX*.....*Chapter # of finally passed Resolve*
- UNSIGNED*.....*Bill held by Governor*
- 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*

Offices Located in the State House, Rooms 101/107/135

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
VIGUE CAREY	OTP-AM	H-503 H-628 VIGUE H-655 VIGUE H-705 VIGUE

LD 1327 proposed to amend the definition of a motor vehicle in the Maine Revised Statutes, Title 10 to include recreational vehicles. This change would allow for recreational vehicles to be included in the provisions that regulate franchise practices. The bill also included specific limitations on establishing or relocating dealerships to include recreational vehicle dealers and other motor vehicle dealers. This bill proposed to amend Title 29-A to include recreational vehicles in the definition of a vehicle and makes a recreational vehicle dealer subject to the requirements for dealer licensure.

**Committee Amendment "A" (H-503)** replaced the bill and proposed to regulate the business practices between personal sports mobile manufacturers and dealers. A personal sports mobile includes a snowmobile, ATV or personal watercraft. The intent of the amendment was to provide essentially the same protections for personal sports mobile dealers that Maine law extends to motor vehicle dealers. Some of these protections included:

1. Manufacturer warranty work and parts provided by a dealer must be reimbursed by the manufacturer at the retail rate charged to nonwarranty customers;
2. A dealership can not be terminated without proper notice, as described under the Maine Revised Statutes, Title 10, chapter 206-B, good faith and good cause;
3. A manufacturer may not coerce a dealer to accept personal sports mobiles, parts or accessories that the dealer has not ordered; and
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.

**House Amendment "A" to Committee Amendment "A" (H-628)** proposed to add an emergency preamble and emergency clause to the amendment.

**House Amendment "B" to Committee Amendment "A" (H-655)** proposed to transfer motorcycles from the automobile dealer franchise laws to the personal sports mobile franchise laws established by the committee amendment in recognition of the fact that personal sports mobile dealers typically sell motorcycles.

**House Amendment "C" to Committee Amendment "A" (H-705)** proposed to make technical changes to Committee Amendment "A."

#### *Enacted law summary*

Public Law 1997, chapter 473 regulates the business practices between personal sports mobile manufacturers and dealers. A personal sports mobile is a snowmobile, ATV, motorcycle or personal watercraft. The intent of the

amendment is to provide essentially the same protections for personal sports mobile dealers that Maine law extends to motor vehicle dealers. Some of these protections are that:

1. Manufacturer warranty work and parts provided by a dealer must be reimbursed by the manufacturer at the retail rate charged to nonwarranty customers;
2. A dealership can not be terminated without proper notice, as described under the Maine Revised Statutes, Title 10, chapter 206-B, good faith and good cause;
3. A manufacturer may not coerce a dealer to accept personal sports mobiles, parts or accessories that the dealer has not ordered; and
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 1335                      An Act Requiring Disclosures by Payroll Processing Companies                      ONTP**

<u>Sponsor(s)</u> HARRIMAN	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 1335 proposed to require payroll processing companies with a net worth of \$500,000 or less to make certain disclosures to employers who seek to use the company to process payrolls. These disclosures would include a statement indicating whether the company is bonded for fraudulent acts, audited financial statements, the net worth of the company, the functions that may be subcontracted to others and how long the company had been engaged in payroll processing. The bill would provide that a violation of the Maine Revised Statutes, Title 10, chapter 222 is a violation of the Unfair Trade Practices Act and would also constitute a civil violation. See LD 1878, An Act to Provide Regulation for Payroll Processing Companies, a committee bill, which was enacted as Public Law 1997, chapter 495.

**LD 1343                      Resolve, Establishing a Blue Ribbon Commission to Study the                      FAILED  
Effect of Government Regulation on Small Businesses in Maine                      EMERGENCY  
ENACTMENT**

<u>Sponsor(s)</u> MACKINNON	<u>Committee Report</u> OTP-AM	<u>Amendments Adopted</u>
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LD 1343 proposed to establish the Blue Ribbon Commission to Study the Effect of Government Regulation on Small Business in Maine.

**Committee Amendment "A" (S-183)** This amendment proposed to amend the resolve to revise the commission membership to include four members to be appointed by the President of the Senate and four members to be appointed by the Speaker of the House. Members to be appointed must represent the House of Representatives, the Senate, the public sector, the private sector, businesses with fewer than 50 employees and members of the Joint Standing Committee on Business and Economic Development. The amendment also included language that entitled