

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FOURTH LEGISLATURE

Legislative Document

No. 1409

H. P. 1056

House of Representatives, March 12, 1969

Referred to Committee on Transportation. Sent up for concurrence and ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mr. Lebel of Van Buren.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-NINE

AN ACT Revising the Motor Vehicle Dealer Registration Law.

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

Sec. 1. R. S., T. 29, §§ 331 - 332, repealed and replaced. Section 331, as amended by section 22 of chapter 494 of the public laws of 1967, and section 332, both of Title 29 of the Revised Statutes are repealed and the following enacted in place thereof :

§ 331. Dealer registration plates ; application ; fees

Every manufacturer or dealer in new or used cars or motor trucks, or both, or truck tractors may, instead of registering each car or motor truck, or both, or truck tractor owned or controlled by him, make application upon a blank provided by the Secretary of State for a general distinguishing number, color or mark. The Secretary of State, if satisfied that the applicant will be actively engaged in the business of buying and selling of cars or motor trucks, or both, or truck tractors, and is satisfied with the other facts stated in the application, and if satisfied that the applicant meets the minimum standards set forth, shall issue a certificate of registration. Such certificate of registration shall contain the name, place of residence and business of the applicant and the general distinguishing number, color or mark assigned to him and made in such form as the Secretary of State may determine, and all vehicles owned or controlled by such applicant shall be regarded as registered under such general distinguishing number, color or mark until sold, exchanged or operated for hire. To be eligible for the renewal of such car or motor truck, or both, or truck tractor dealer registration plates, the applicant must maintain in said State a permanent place of business where said applicant is engaged in the business of buying and selling cars or motor trucks, or both, or truck tractors, and must continue to meet the minimum standards herein

set forth. To qualify as a dealer in new cars or motor trucks, or both, or truck tractors for the purpose of this Title, an applicant must possess a franchise contract from a manufacturer of cars or motor trucks, or both, or truck tractors and furnish the Secretary of State with a certificate from said manufacturer or its distributor that said contract is in force; must have proper facilities for the display and storage of new and used cars or motor trucks, or both, or truck tractors, a repair department capable of taking care of at least 2 motor vehicles simultaneously, exclusive of grease pit or rack; must maintain an office and parts department suitable to conduct business, must possess sufficient tools and equipment for proper servicing and keep employed at least one mechanic having a thorough knowledge of the product handled; all in accordance with the rules, regulations and standards promulgated and established by the Secretary of State. To qualify as a dealer in used motor vehicles for the purposes of this Title, an applicant must have proper facilities for the display of used motor vehicles, a suitable office in which to conduct business, and a suitable sign identifying the place of business; must maintain a repair department capable of taking care of at least 2 motor vehicles simultaneously exclusive of grease pit or rack, and sufficient tools and equipment for proper servicing; and must keep employed at least one mechanic having a thorough knowledge of the product handled; all in accordance with the rules, regulations and standards promulgated and established by the Secretary of State; provided that the requirements as to dealers in used motor vehicles pertaining to repair and servicing facilities and mechanics shall not apply to holders of motor vehicle dealer registration plates on January 1, 1964, or to holders of transporter registration plates who have filed evidence as required by law of at least 12 bona fide sales of motor vehicles during the 12 months preceding January 1, 1964. The Secretary of State is authorized and empowered to promulgate and establish rules, regulations and standards, not contrary to the laws of the State, to effectuate the purposes of the law relating to dealer and transporter vehicle registration in the manner prescribed by Title 5, chapters 301 to 307. The annual fee for every such certificate of registration shall be \$25. Upon payment of \$10 per plate, plates shall be issued, the number to be determined by the Secretary of State, who is empowered to determine such use and authorized to prescribe reasonable limitations of use of such plates. Extra registration plates shall be furnished to replace lost or mutilated plates for \$1 each. On application for registration or for additional plates applied for during the period between the first day of September and the 31st day of December in any year, $\frac{1}{2}$ of the registration fee and plate fee shall be charged. Dealer plates shall be valid from January 1st to December 31st in any year. The plates may be displayed on Christmas Day. The certificate of registration shall be displayed at the dealer's place of business.

§ 332. Transporter registration plates; application; fee

1. Application. Garage owners, body shops, trailer dealers, semitrailer dealers, dealers in mobile homes, finance companies, banks and junk dealers may make application upon a blank provided by the Secretary of State for a transporter registration certificate instead of registering each vehicle owned by them or temporarily in their custody, to be used for the transportation or delivery of such vehicles. The Secretary of State, if satisfied with the facts

stated in the application, shall issue a certificate of registration. Such enumeration shall be deemed a partial enumeration and shall not operate to exclude other persons, firms or corporations from making such application, provided the transportation and delivery of such vehicles is an ordinary and usual incident to the operation of their businesses.

2. Fees. Transporter certificates shall be issued for the uses provided for a fee of \$25. Upon payment of \$10 each, plates shall be issued, the number to be determined by the Secretary of State, who is empowered to determine such use and authorized to prescribe reasonable limitations of use of such plates. In no event shall any such plates be used in lieu of registration plates issued under this Title; or be loaned to any person; or be used by the holder for personal purposes. Extra registration plates shall be furnished to replace lost or mutilated plates for \$1 each. On application for registration or for additional plates applied for during the period between the first day of September and the 31st day of December in any year, $\frac{1}{2}$ of the registration fee and plate fee shall be charged. Transporter plates shall be valid from January 1st to December 31st in any year. The plates may be displayed on Christmas Day. The certificate of registration shall be displayed at the transporter holder's place of business.

Sec. 2. R. S., T. 29, §§ 332-A - 332-B, additional. Title 29 of the Revised Statutes is amended by adding 2 new sections, 332-A and 332-B, to read as follows:

§ 332-A. Equipment dealer registration plates; application; fee

Every manufacturer or dealer in new or used heavy equipment or farm machinery may, instead of registering each piece of equipment or machinery owned or controlled by him, make application upon a blank provided by the Secretary of State for a general distinguishing number, color or mark. The Secretary of State, if satisfied that the applicant will be actively engaged in the business of buying and selling of heavy equipment or farm machinery, and is satisfied with the other facts stated in the application, and if satisfied that the applicant meets the minimum standards herein set forth or those set by the Secretary of State, shall issue a certificate of registration. Such certificate or registration shall contain the name, place of residence and business of the applicant and the general distinguishing number, color or mark assigned to him and made in such form as the Secretary of State may determine, and all such vehicles owned or controlled by such applicant shall be regarded as registered under such general distinguishing number, color or mark until sold, exchanged or operated for hire. To be eligible for the renewal of such equipment dealer registration plates, the applicant must maintain in said State a permanent place of business where said applicant is engaged in the business of buying and selling of heavy equipment or farm machinery and must continue to meet the minimum standards set forth, including those set by the Secretary of State. To qualify as an equipment dealer or machinery dealer for the purpose of this Title, the applicant must be actively engaged in the business of buying, selling or exchanging of heavy equipment or farm machinery and must maintain a garage to the minimum standards established by the Secretary of State, and must keep employed a

full-time mechanic and must be equipped to perform the usual and normal repair and servicing of heavy equipment or farm machinery; said facilities shall be upon or adjacent to a lot where selling will be done and books and records are kept and be devoted actively to the equipment business, in which the repair of said equipment is subordinate or incidental to the business of buying, selling or exchanging of the same, all in accordance with the rules, regulations and standards promulgated and established by the Secretary of State. The annual fee for every such certificate of registration shall be \$25. Upon payment of \$10 each, plates shall be issued, the number to be determined by the Secretary of State, who is empowered to determine such use and authorized to prescribe reasonable limitations of use of such plates. Extra registration plates shall be furnished to replace lost or mutilated plates for \$1 each. On application for registration or for additional plates applied for during the period between the first day of September and the 31st day of December in any year, $\frac{1}{2}$ of the registration and plate fee will be charged. Equipment dealer plates shall be valid from January 1st to December 31st in any year. The plates may be displayed on Christmas Day. The certificate of registration shall be displayed at the dealer's place of business.

§ 332-B. Loaner plates; application; fee

New car dealers, used car dealers, heavy equipment dealers who have a dealer registration certificate and owners of body shops, transmission shops or general repair garages who have their personal cars registered may make application upon a blank provided by the Secretary of State for a loaner registration certificate and plate instead of registering each vehicle owned by him to be used for the loaning of such vehicles to customers when the customers properly registered vehicle is disabled and in the garage for repairs. A vehicle loaned by a dealer for emergency purposes may be operated on a loaner plate for not more than 7 consecutive days. The Secretary of State may in his discretion extend said period of 7 consecutive days to no more than 30 consecutive days whenever he feels the need for such extension is justified. The Secretary of State, if satisfied with the facts stated in the application shall issue a certificate of registration. The annual fee for every such certificate of registration shall be \$25. Upon payment of \$10 each, plates shall be issued, the number to be determined by the Secretary of State, who is empowered to determine such use and authorized to prescribe reasonable limitations of use of such plates. Extra registration plates shall be furnished to replace lost or mutilated plates for \$1 each. On application for registration or for additional plates applied for during the period of the first day of September and the 31st day of December in any year, $\frac{1}{2}$ of the registration fee and plate fee shall be charged. Loaner plates shall be valid from January 1st to December 31st in any year. The plates may be displayed on Christmas Day. The certificate of registration shall be displayed at the dealer's place of business. A nominal fee may be charged for the use of this vehicle.

A complete record must be kept for inspection at any time stating the hour and date the car is loaned and when it is returned, the serial number of the car loaned, the loaner plate number, and the registration number of the loanee's car in his care and custody, and he must see that the operator has a

current operator's license before releasing a vehicle to him and shall record his name and address. Loaner plates may not be used by the owner on his car or on a car owned by anyone else in lieu of registration for personal use or pleasure.

Sec. 3. R. S., T. 29, §§ 334 - 335, repealed and replaced. Sections 334 and 335 of Title 29 of the Revised Statutes are repealed and the following enacted in place thereof:

§ 334. Denial, suspension or revocation of plates

The Secretary of State after examining an application for dealer or transporter registration plates, may not issue same, stating the reasons. An applicant denied dealer or transporter plates may appeal by filing a complaint for a hearing before the Secretary of State's hearing officer within 15 days after receiving notice of denial from the Secretary of State. The Secretary of State may review any dealer or transporter registration granted and file a complaint with such hearing officer requesting the suspension or revocation of such registrations for any of the following reasons:

1. No permanent place of business. On proof that dealer no longer maintains a permanent place of business for buying and selling motor vehicles or ceases to meet the minimum standards established by section 331;
2. Not engaged. On proof that dealer is no longer engaged in the business of buying and selling motor vehicles;
3. No records. On proof that dealer or holder of a transporter registration certificate has failed to keep and submit any records provided for by law;
4. Convictions. On proof that dealer or holder of a transporter registration certificate has been convicted of a violation of any of the provisions of this Title or of Title 17, section 3203, or has violated any rules or regulations promulgated under Title 5, chapters 301 to 307;
5. Use of registration plate. On proof that dealer or manufacturer or holder of a transporter registration plate has used or permitted the use of his registration plate on a motor vehicle not owned by or temporarily in the custody of the dealer or the holder of a transporter plate for use on motor vehicles not sold by the dealer, manufacturer or holder of a transporter registration plate. The use of any such plate on any vehicle shall be prima facie evidence that such use was permitted by the plate holder;
6. Violated limitations of use. On proof that the holder of a transporter registration certificate has violated any limitations of use imposed on such certificate by the Secretary of State under sections 332 and 336;
7. Violations under sections 332-A and 336. On proof that the holder of a heavy equipment dealer registration certificate has violated any limitations of use imposed on such certificate by the Secretary of State under sections 332-A and 336;
8. Violations under sections 332-B and 336. On proof that the holder of a loaner registration certificate has violated any limitations of use imposed on such certificate by the Secretary of State under sections 332-B and 336;

9. Change of address. On proof that the holder of new car dealer plates, used car dealer plates, equipment dealer plates, transporter plates or loaner plates moves his place of business without notifying the Secretary of State at least 30 days prior to the date of move may result in a suspension until such time as the investigation has been made to determine whether the new location meets the minimum standards established by the Secretary of State and sections 331, 332, 332-A and 332-B.

§ 335. Appeals

Any applicant for dealer or transporter or loaner registration plates whose appeal has been denied by the hearing officer or any dealer or holder of transporter registration plates whose registration plates have been suspended or revoked by the hearing officer may within 30 days after notice of the decision appeal to the Superior Court. Pending the decision of the court, the dealer or transporter or loaner registration plates shall remain in effect.

Sec. 4. R. S., T. 29, § 336, sub-§ 6, repealed and replaced. Subsection 6 of section 336 of Title 29 of the Revised Statutes, as enacted by chapter 109 of the public laws of 1965, is repealed and the following subsections enacted in place thereof:

6. Dealer. A motor vehicle owned or controlled by a dealer may be operated under the distinguishing number assigned to him for the following:

- A. For the purpose of testing or adjusting such vehicle in the immediate vicinity of his place of business;
- B. For purposes directly connected with the business of buying, selling or exchanging of motor vehicles by such dealers;
- C. For demonstrating when a prospective purchaser is operating a vehicle with or without being accompanied by the owner or his employee;
- D. A pleasure car, while owned by the dealership, may be operated under the A plate only of the distinguishing number, color or mark assigned to him for the private pleasure or business use of the owner and members of his immediate family, residing in the same household;
- E. For the use of such vehicle at funerals or in public parades when no charge is made for such use;
- F. Employees of a dealer shall not operate and a dealer shall not permit them to operate motor vehicles with dealer registration number plates displayed thereon, except for purposes directly connected with the business of the dealer, or in traveling directly between their homes and the place of their employer's business.

7. Transporter. Holders of transporter plates may use them for demonstration on the type of unit for which they are registered or on motor vehicles taken in trade, this to be clearly marked on the back of the certificate of registration.

8. Equipment dealer. Equipment dealer plates shall be issued to the farm equipment and heavy equipment dealers to be used on the following new and used equipment:

- A. Motorized graders,
- B. Power shovels,
- C. Front end loaders,
- D. Backhoes,
- E. Rubber tired bulldozers,
- F. Large 4-wheel drive type trucks and snowplows,
- G. Motor cranes,
- H. Road sweepers,
- I. Sidewalk cleaners,
- J. Log skidders,
- K. Other related heavy equipment,
- L. Farm tractors,
- M. Self-propelled combines,
- N. Harvesters,
- O. Other related farm machinery,
- P. Any equipment or motor vehicle taken in trade.

A vehicle loaned by an equipment dealer to a customer for demonstration of loaded or unloaded equipment or emergency purposes may be operated on the registration plates of the dealer for not more than 7 consecutive days. The Secretary of State may in his discretion extend said period of 7 consecutive days to no more than 30 consecutive days whenever he finds the need for such extension is justified. This plate cannot be used for lease, rental, hire or for pleasure.

Sec. 5. R. S., T. 29, § 336-A, additional. Title 29 of the Revised Statutes is amended by adding a new section 336-A, to read as follows:

§ 336-A. Records

1. Records. On a form prescribed by the Secretary of State, every licensed motor vehicle dealer and holder of transporter plates shall maintain a record containing the following information, which shall be open to inspection by any police officer or motor vehicle inspector during reasonable business hours:

- A. Every motor vehicle which is bought, sold or exchanged by the licensee or received or accepted by the licensee for sale or exchange;
- B. Every motor vehicle which is bought or otherwise acquired and dismantled by the licensee;
- C. The name and address of the person from whom such motor vehicle was purchased or acquired, the date thereof, name and address of the per-

son to whom any such motor vehicle was sold or otherwise disposed of and the date thereof, a sufficient description of every such motor vehicle by name and identifying numbers thereon to identify the same;

D. A copy of the above records must be filed with the Secretary of State's office immediately following the sale or disposition of the vehicle.

Sec. 6. R. S., T. 29, § 340, repealed and replaced. Section 340 of Title 29 of the Revised Statutes, as amended, is repealed and the following enacted in place thereof:

§ 340. Temporary number plates; notification; cost

A manufacturer, new car dealer, used car dealer, equipment dealer, motorcycle dealer or holder of a transporter registration certificate or boat trailer or trailer registration certificate may, upon the sale or exchange of a motor vehicle, boat trailer or trailer attach to rear plate holder of such motor vehicle, boat trailer or trailer a registration plate, and the purchaser of such motor vehicle, boat trailer or trailer may operate the same for a period not to exceed 10 consecutive days thereafter without payment of a regular fee. If the purchaser of such vehicle, boat trailer or trailer is a nonresident member of the Armed Services, said purchaser may operate the same for a period not to exceed 20 consecutive days thereafter without payment of a regular fee. A temporary registration plate may not be used on a loaded truck without a written permit from the Secretary of State. No manufacturer, new car dealer, used car dealer, equipment dealer, motorcycle dealer or holder of a transporter registration certificate, shall attach to the rear plate holder of a house trailer or mobile home any temporary registration plate unless the operator of the vehicle hauling the trailer has in his possession the written certificate from the tax collector required by section 336, subsection 5. Temporary registration plates issued under this section for motorcycles shall be the same size as the regular motorcycle plates.

A manufacturer, new car dealer, used car dealer, equipment dealer, motorcycle dealer or holder of transporter registration certificate, or boat trailer or trailer dealer registration certificate shall, upon attaching a temporary registration plate to a motor vehicle, boat trailer or trailer sold or exchanged by him, mark thereon the date when said license expires and immediately notify the Secretary of State of said sale or exchange, giving the name and address of the purchaser, the number of the temporary plate and such further information as the Secretary of State may require. The markings required by this paragraph to be placed on a temporary registration plate shall be made not less than one inch in height, with indelible or waterproof ink.

The Secretary of State may issue temporary registration plates to bona fide new car dealers, used car dealers, equipment dealers or holders of transporter registration certificates, boat trailer or trailer registration certificates or motorcycle dealers who request them under such rules and regulations as he shall deem necessary, and shall receive for them 50¢ per plate.

Sec. 7. R. S., T. 29, § 832, repealed and replaced. Section 832 of Title 29 of the Revised Statutes is repealed and the following enacted in place thereof:

§ 832. Insurance before registration for dealers and transporters

The Secretary of State shall not issue new car dealer, used car dealer, equipment dealer, transporter, loaner, motorcycle dealer or boat trailer dealer registration plates until the applicant therefor shall have procured and filed with the Secretary of State a certificate showing that the applicant is covered by an automobile bodily injury and property damage liability insurance policy providing coverage as set forth in this Title with respect to the plates issued, approved by the Insurance Commissioner, insuring against any legal liability in accordance with the terms of said policy for personal injury or death of any one person in the sum of \$10,000 and for any number of persons in the sum of \$20,000 and against property damage in the sum of \$5,000, which injury, death or damage may result from or have been caused by the operation of any vehicle bearing such registration plates. In lieu of such insurance, the applicant may file with said Secretary of State a bond or bonds issued by a surety company authorized to do business in the State in the amount of at least \$10,000 on account of injury to or death of any one person, and subject to such limits as respects injury to or death of one person, of at least \$20,000 on account of any one accident resulting in injury to or death of more than one person, and of at least \$5,000 for damage to property of others.

The Secretary of State shall suspend, without hearing, such registration within 10 days of receipt of written notice from the company that the insurance policy or bond required has been cancelled. He shall likewise suspend said registration upon the expiration of the policy and shall not restore same until new certification of coverage is filed by the company.