

ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 710

H. P. 575 House of Representatives, February 19, 1975 Referred to the Committee on Business Legislation. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mrs. Boudreau of Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-FIVE

AN ACT to Establish Minimum Warranty Standards for New Residential Dwellings.

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

10 MRSA c. 214 is enacted to read:

CHAPTER 214

MINIMUM WARRANTY STANDARDS FOR NEW RESIDENTIAL DWELLINGS

§ 1421. Necessity of warranty

All new residential dwellings shall be covered by the warranty set forth in this chapter.

§ 1422. Definitions

As used in this chapter, unless the context otherwise indicates, the following words shall have the following meanings.

1. Builder. "Builder" means any individual, firm, association, partnership or corporation which builds, constructs, develops or offers for sale new residential dwellings as defined in this chapter. Any individual, firm, association, partnership or corporation which purchases a new residential dwelling from a builder for the purpose of resale to a purchaser shall be deemed a builder under this chapter and shall give the same warranty as required of a builder.

2. New residential dwelling. "New residential dwelling" means a structure designed for residential occupancy which is offered for sale and which has not been occupied as a residence prior to such offer or sale. The term includes condominium dwellings and apartment houses designed for rental use or sale as cooperative units or otherwise.

3. Purchaser. "Purchaser" means an individual or individuals who purchase a new residential dwelling for the purpose of occupancy by themselves or their tenants or lessees, and not for the purpose of resale.

§ 1423. Application

The warranty provided for in this chapter shall extend for a period of 18 months from the date of sale to a purchaser and shall apply to a builder and to the manufacturer of any component structure, appliance or mechanical device or system installed in and affixed to the dwelling by the builder.

§ 1424. Written warranty; contents

The warranty from the builder, or from the manufacturer as specified in section 1423, to the purchaser shall be set forth in writing and shall be delivered to the purchaser at the time of purchase and shall contain the following terms:

r. Defects. That the dwelling is free from any substantial defects in material or workmanship;

2. Corrective action. That the builder or manufacturer or both shall take corrective action in instances of substantial defects in materials or workmanship which become evident during the warranty period, provided the purchaser gives written notice of such defects to the builder at the builder's address within 180 days of the warranty period;

3. Liability. That the builder and manufacturer shall be jointly and severally liable to the purchaser for the fulfillment of the terms of the warranty, and the purchaser may notify either one or both of the need for appropriate corrective action in instances of substantial defects in materials or workmanship.

4. Notice. That the name, address and phone number of the builder where the purchaser may mail or deliver written notice of defects shall be set forth in the document.

5. Primary responsibility. That while the manufacturers of any or all affixed component structures, appliances, mechanical devices or systems may also issue their own warranties, the primary responsibility for appropriate corrective action under the warranty rests with the builder and the purchaser should report all complaints to the builder initially. This Act shall in no way limit any right of action by way of subrogation or otherwise which the builder may have against the manufacturer of any defective component structure, appliance, mechanical device or system.

§ 1425. Cumulative remedies, prohibition against waiver

The warranty under this chapter shall be in addition to and not in derogation of all other rights and privileges which such purchaser may have under

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any other law or instrument. The builder shall not require the purchaser to waive his rights under this chapter and any such waiver shall be deemed contrary to public policy and shall be unenforceable and void.

§ 1426. Violation as unfair trade practice

Any violation of this chapter shall constitute a violation of Title 5, chapter 10, Unfair Trade Practices Act.

STATEMENT OF FACT

The purpose of this bill is to provide the purchasers of newly constructed dwellings with a warranty from the builder that the dwelling is free from substantial defects in workmanship and materials. The warranty period will last 18 months, and the purchaser will have both a private right of action for a breach of the warranty and the remedies provided for in the Unfair Trade Practices Act.