

FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

H.P. 529 House of Representatives, March 11, 1987 Reference to the Committee on Business Legislation suggested and ordered printed.

EDWIN H. PERT, Clerk Presented by Representative POULIOT of Lewiston. Cosponsored by Representatives WARREN of Scarborough, RACINE of Biddeford and Senator THERIAULT of Aroostook.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-SEVEN

| 1 2 3 | AN ACT to Clarify the Laws Relating to New Automobile Dealerships. |
|-------------|---|
| 4 5 | Be it enacted by the People of the State of Maine as follows: |
| 6 | Sec. 1. 29 MRSA §345, sub-§1, ¶C, as enacted by |
| 7 | PL 1973, c. 529, §1, is amended to read: |
| 8 | C. A dealer in new vehicles who holds an unex- |
| 9 | pired appointment as such in writing <u>in accord-</u> |
| 10 | ance with the requirements of Title 10, <u>chapter</u> |
| 11 | <u>204</u> , from the manufacturer of such those vehicles |
| 12 | or from an authorized distributor of such those |
| 13 | vehicles. <u>Any such appointment shall include fa-</u> |
| 14 | <u>cilities and service requirements and a sales</u> |
| 15 | agreement. |

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Sec. 2. 29 MRSA §345, sub-§3, as enacted by PL 1985, c. 401, §7, is repealed.

STATEMENT OF FACT

4 The relationships between franchisors and 5 franchisees are critical to the effective operation б of new motor vehicle dealerships in the State and the 7 ability of those dealerships to effectively represent 8 and address the needs of the consuming public. This 9 concern is particularly acute in light of the 10 computerization and complexity of new motor vehicles. Accordingly, in order to sell a new motor vehicle at 11 12 retail, a dealer should hold a franchise which in-13 cludes facilities and service requirements so that 14 the consumer will be able to return to that dealer to 15 have any concerns addressed.

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