

# MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

No. 1378

S.P. 451

In Senate, April 29, 1987

Reference to the Committee on Business Legislation suggested and ordered printed.

JOY J. O'BRIEN, Secretary of the Senate  
Presented by Senator BUSTIN of Kennebec.

Cosponsored by Senator BRANNIGAN of Cumberland,  
Representative ALLEN of Washington, Representative GURNEY of  
Portland.

STATE OF MAINE

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

**AN ACT to Require Manufacturers of  
Automobiles to Sell Parts to the Consumer  
or his Agent.**

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

Sec. 1. 10 MRSA §1174, sub-§3, ¶5, as enacted by PL 1981, c. 331, §6, is amended to read:

S. To cancel, terminate, fail to renew or refuse to continue any franchise relationship with a licensed new motor vehicle dealer without providing fair and reasonable compensation to the licensed new motor vehicle dealer for:

(1) All unsold new model motor vehicle inventory of the current and previous model year purchased from the manufacturer;

1 (2) Supplies and parts purchased from the  
2 manufacturer or its approved sources;

3 (3) Equipment and furnishings purchased  
4 from the manufacturer or its approved  
5 sources;

6 (4) Special tools purchased from the manu-  
7 facturer or its approved sources; and

8 (5) In the event the involuntary termina-  
9 tion, cancellation or nonrenewal is due to a  
10 failure of performance of the new motor ve-  
11 hicle dealer in sales or service and:

12 (a) The new motor vehicle dealer is  
13 leasing the dealership facilities from  
14 a lessor other than the manufacturer,  
15 the manufacturer shall pay the new mo-  
16 tor vehicle dealer a sum equivalent to  
17 the rent for the unexpired term of the  
18 lease or one year's rent, whichever is  
19 less; or

20 (b) If the new motor vehicle dealer  
21 owns the facilities, the manufacturer  
22 shall pay the new motor vehicle dealer  
23 a sum equivalent to the reasonable  
24 rental value of the facilities for one  
25 year;

26 Such fair and reasonable compensation for the  
27 items listed in subparagraphs 1 to 5 shall in no  
28 instance be less than the acquisition price and  
29 shall be paid by the manufacturer when possible  
30 within 90 days of the effective date of the ter-  
31 mination, cancellation or nonrenewal, provided  
32 the new motor vehicle dealer has clear title to  
33 the inventory and other items and is in a posi-  
34 tion to convey that title to the manufacturer;

35 In lieu of any injunctive relief or any other  
36 damages, if the manufacturer fails to prove there  
37 was good cause for the termination, cancellation  
38 or nonrenewal, or if the manufacturer fails to  
39 prove that it acted in good faith, then the manu-  
40 facturer may pay the new motor vehicle dealer

1 fair and reasonable compensation for the value of  
2 the dealership as an ongoing business; or

3 Sec. 2. 10 MRSA §1174, sub-§3, ¶T is enacted to  
4 read:

5 T. To prevent in any way a consumer or his  
6 agent, who purchased a motor vehicle in this  
7 State, from purchasing parts for that vehicle di-  
8 rectly from the manufacturer at the manufactured  
9 price.

10

STATEMENT OF FACT

11 Auto parts are often sold by the manufacturers to  
12 their distributors only. People going to a garage  
13 for repairs must then wait for their repairmen to or-  
14 der the parts through the distributors. The intent  
15 of this bill is to require auto manufacturers to sell  
16 parts directly to consumers or their agents who want  
17 to order parts without added fees.

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