

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 1399

S.P. 511

In Senate, April 27, 1989

Reference to the Committee on Transportation suggested and ordered printed.

Joy J. O'Brien

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator TWITCHELL of Oxford.

Cosponsored by Representative POULIOT of Lewiston, Representative STROUT of Corinth and Representative MACOMBER of South Portland.

STATE OF MAINE

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

An Act to Amend Certain Motor Vehicle Laws.



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

3 Sec. 1. 29 MRSA §347, first ¶, as amended by PL 1985, c. 401,
5 §9, is further amended to read:

7 ~~Except as sections 357 and 358 provide, the~~ The annual fee
9 for every license shall be \$150, except those businesses licensed
11 by the Secretary of State as salvage vehicle dealers pursuant to
13 section 2448 will be exempt from an additional \$150 fee. The
15 annual fee for plates shall be \$20 per plate, except that on
17 application for additional plates applied for during the period
19 between the first day of September and the 31st day of December
21 in any year, 1/2 of the plate fee shall be charged. Dealer plates
23 shall be valid from January 1st to December 31st in any year. On
25 and after December 25th of each calendar year, it shall be lawful
27 to use and display on motor vehicles the number plates issued for
29 the next succeeding year. The dealer certificate of registration
31 and license shall be displayed at the dealer's place of business.

33 Sec. 2. 29 MRSA §350-A, sub-§2 is enacted to read:

35 2. Penalties. Any person who continues to engage in the
37 business of buying, selling, exchanging, offering to negotiate,
39 negotiating or advertising a sale of any vehicle after suspension
41 or revocation of the dealer license issued by the Secretary of
43 State shall be guilty of a Class E crime, punishable by a fine of
45 not less than \$200, and that fine shall not be suspended.

47 Any vehicle dealer who fails or refuses to surrender a dealer
49 license, dealer plates or registration certificates or temporary
51 plates upon demand of the Secretary of State following the
suspension, revocation or nonrenewal of the dealer license shall
be guilty of a Class E crime.

53 Sec. 3. 29 MRSA §355, 2nd ¶, as amended by PL 1983, c. 455,
55 §13, is further amended to read:

57 ~~Such~~ The records, vehicles and vehicle parts in the dealer's
59 possession shall at all times be available for inspection during
61 the dealer's normal business hours by the Secretary of State, or
63 his the Secretary of State's duly authorized agents or duly
65 authorized members of law enforcement agencies or representatives
67 of the Attorney General's office. A copy of the records, except
69 the information required by subsections 6 and 7, shall be filed
71 with the Secretary of State's office immediately following the
sale or disposition of the vehicle, on a form or forms prescribed
by the Secretary of State. Vehicle dealers shall comply with the
federal Truth in Mileage Act of 1986, Public Law 99-579, and the
rules promulgated under 49 Code of Federal Regulations, Part 580,
in the keeping of records.

1 Sec. 4. 29 MRSA §359, as enacted by PL 1973, c. 529, §1, is
3 repealed and the following enacted in its place:

5 §359. Trailer and mobile home dealer

7 Every manufacturer or dealer in mobile homes, trailers and
9 semitrailers, other than snowmobile or boat trailers, shall pay
11 annually the fees required in section 347 for a license to
13 handle, demonstrate, sell and exchange mobile homes, trailers and
15 semitrailers and for trailer registration plates. The Secretary
17 of State shall determine the number of plates and may prescribe
19 limitations on the use of the plates.

21 Sec. 5. 29 MRSA §360, first ¶, as amended by PL 1985, c. 401,
23 §14, is further amended to read:

25 Garage owners, body shops, finance companies, banks and
27 salvage dealers and repossession companies licensed by the Bureau
29 of Consumer Credit Protection may apply for a transporter
31 registration license and plates for the purpose of transportation
33 and delivery of vehicles owned or temporarily in their custody.
35 The holder of a transporter registration plate may transport or
37 deliver using this plate only if the vehicle is accompanied by
39 the owner or someone in his the owner's employ. In no event shall
41 any transporter plate be used in lieu of registration plates
43 issued under this Title or be loaned to any person or be used by
45 the holder for personal reasons. Transporter plates shall not be
47 used on a towing vehicle.

49 Sec. 6. 29 MRSA §364, as amended by PL 1987, c. 415, §17, is
51 further amended to read:

53 §364. Enforcement

55 All state, county and local law enforcement officers, and
57 all inspectors appointed and deputized by the Secretary of State
59 pursuant to section 52, shall expeditiously enforce the
61 provisions of this subchapter,; section 832,; Title 10, chapter
63 217,; and Title 30 30-A, chapter 215 183, subchapter I as ~~it~~
65 relates they relate to automobile graveyards.

67 Sec. 7. 29 MRSA §364-A, as enacted by PL 1981, c. 470, Pt. B,
69 §§11 and 11-A, is repealed and the following enacted in its place:

71 §364-A. Odometers; transfer

73 1. Information on transfer. At the time of transfer of a
75 motor vehicle, each transferor shall furnish to the transferee
77 the information required by this subsection in accordance with
79 the federal Truth in Mileage Act of 1986, Public Law 99-579, and
81 the rules promulgated under 49 Code of Federal Regulations, Part

1 580. The information shall be on the reverse of any title or
3 manufacturer's certificate of origin which complies with the
5 federal Truth in Mileage Act of 1986 and rules. If the reverse
7 of the title or manufacturer's certificate of origin is filled or
9 is not in compliance, the disclosure shall be on a transfer form
prescribed by the Secretary of State. The information required
by this subsection shall also be provided on any other forms
prescribed by the Secretary of State which require odometer
information. The required information is as follows:

11 A. The date of the transfer;

13 B. The odometer reading at the time of transfer, not to
15 include 1/10th of miles;

17 C. The transferor's printed name and current address;

19 D. The transferee's printed name and current address;

21 E. The identity of the vehicle being transferred, including
23 its make, model, year and body type and its vehicle
identification number if on a form other than a title; and

25 F. In addition to the information in paragraphs A to E, the
transferor's certification that:

27 (1) To the best of the transferor's knowledge, the
29 odometer reading reflects the actual mileage;

31 (2) The odometer reading reflects the amount of
mileage in excess of its mechanical limit; or

33 (3) The odometer reading is not the actual mileage.
35 If the odometer reading is not the actual mileage, the
37 transferor shall give reasons for the discrepancy on a
form prescribed by the Secretary of State.

39 2. Signatures. The transferor shall sign the title or
transfer document to certify the odometer information required by
41 subsection 1. The transferee shall sign the title or transfer
43 document to acknowledge the transferor's odometer disclosure only
after the required information is completed and the transferor
has signed. No person may sign as both transferor and transferee
in the same transaction.

45 3. Violation. Any person, corporation, organization or
47 other legal entity that knowingly violates this section commits a
49 Class D crime. A violation of this section is a violation of
Title 5, chapter 10.

51 Sec. 8. 29 MRSA §366, as enacted by PL 1981, c. 437, §14, is
amended to read:

1
3
§366. Vehicle auction license

5 Notwithstanding any other provision of this Title, the following requirements apply to vehicle ~~auctioneer's~~ auctions only.

7 1. License. No person may engage in the business of auctioning vehicles without having first been issued a vehicle ~~auctioneer's~~ auction license by the Secretary of State in accordance with this subchapter. No vehicle ~~auctioneer's~~ auction license may be issued unless and until the Secretary of State has caused to be made a thorough inspection of the premises upon which the proposed business is to be conducted. Prior to the issuance of a vehicle ~~auctioneer's~~ auction license, the Secretary of State shall be satisfied that the proposed business has met all the requirements of this section and that all other general conditions and proposed methods of operation are suitable for carrying on the business.

19 2. Facilities. The conductor of the vehicle ~~auctioneer~~ auction shall maintain proper facilities for display of vehicles being auctioned. The Secretary of State may waive the requirements of this section for auctions which do not auction vehicles on their own premises.

25 3. Records. The conductor of the vehicle ~~auctioneer~~ auction shall maintain an office where books, records and files relating to the business shall be kept.

29 4. Authority of the Secretary of State. The Secretary of State or ~~his~~ the Secretary of State's duly authorized agent shall at all times have authority to:

33 A. Attend all ~~meter~~ vehicle auctions;

35 B. Inspect all books, records and files relating to the auction; and

37 C. Inspect all vehicles which are the subject of the auction.

41 5. Fees. The annual fee for such the license shall be the same as for dealers.

43 6. Limitations on license. The following are limitations on vehicle ~~auctioneer~~ auction licenses.

45 A. A vehicle ~~auctioneer's~~ auction license issued under this subchapter shall authorize business at the licensed premises only. The boundaries of the business shall be determined by the map or plan submitted with the application and approved by the Secretary of State, except any amended plan of

1 enlargement or reduction of the licensed premises shall be
2 approved by the Secretary of State.

3
4 B. No license issued under this section shall may be
5 transferable.

6
7 7. Penalty. Failure to obtain a vehicle auctioneer's
8 auction license within the provisions of this section is a Class
9 E crime.

10 Sec. 9. 29 MRSA §367, sub-§2, as enacted by PL 1981, c. 437,
11 §14, is amended to read:

12
13 2. Availability of records. All books, records and files
14 relating to the sale or transfer of interest in a--vehiele
15 vehicles, as well as any vehicles or vehicle parts in the
16 possession of the conductor of the auction, shall at-all-times be
17 available for inspection during the normal business hours of the
18 conductor of the auction by the Secretary of State or-his , the
19 Secretary of State's duly authorized agents, duly authorized
20 members of law enforcement agencies or representatives of the
21 office of the Attorney General. Conductors of auctions shall
22 comply with the federal Truth in Mileage Act of 1986, Public Law
23 99-579 and rules promulgated under 49 Code of Federal
24 Regulations, Part 580, in the keeping of records.

25
26 Sec. 10. 29 MRSA §583, first ¶, as amended by PL 1985, c. 797,
27 §64, is further amended to read:

28
29 No operator's license, except to operate a moped only, may
30 be issued to any person under 17 years of age unless such that
31 person shall--present presents a certificate of successful
32 completion of a driver education course and examination given by
33 a public secondary school or an approved private secondary
34 school; or certificate of successful completion of a driver
35 education course and examination given by some person or persons
36 licensed by the Department of Business,--Occupational--and
37 Professional and Financial Regulation, Board of Commercial Driver
38 Education. No license may be required of certified teachers
39 conducting a driver education course in a public secondary school
40 or an approved private secondary school. All-licenses-expire-on
41 December-31st-of-the-year-of-issue.

42
43 Sec. 11. 29 MRSA §2181, as amended by PL 1983, c. 455, §26,
44 is repealed and the following enacted in its place:

45
46 §2181. Fraud or falsity on applications and documents

47
48 No person may make any material misstatement of fact upon
49 any application or upon any material submitted in support of an
50 application for license to operate a motor vehicle or for
51 registration of a motor vehicle, application for instruction

1 permit, driver's examination, application for identification
3 card, application for any fuel use or highway use decal or
5 permit, application for a placard or any application for action
7 by the Secretary of State. No person may deceive or substitute,
9 or cause another to deceive or substitute, in connection with any
11 examination required or knowingly make use of any registration
13 certificate, number plate, operator's license or permit,
15 identification card, fuel use or highway use permit or decal or
17 any placard issued upon an application or documents containing
19 any material false statement of fact. A violation of this
21 section is a Class E crime. Upon receipt of an attested copy of
23 the court record of the conviction or other sufficient evidence,
25 the Secretary of State shall immediately revoke every document,
27 number plate and decal issued and these shall be surrendered to
29 the Secretary of State upon demand and any money paid for these
31 shall be forfeited.

19 **Sec. 12. 29 MRSA §2351, sub-§5-B,** as enacted by PL 1983, c.
21 476, §1, is amended to read:

23 5-B. Recycler. "Recycler" means a person engaged in the
25 business of dismantling, destroying, scrapping or storing
27 vehicles for the purpose of reselling any of their usable parts
or acquiring vehicles for the benefit of their parts ~~ex--the~~
~~materials--in--them--including--the--rebuilding--of~~ or a person who
repairs or rebuilds salvage vehicles for resale.

29 **Sec. 13. 29 MRSA §2352, sub-§1, ¶A,** as amended by PL 1985, c.
31 401, §16, is further amended to read:

33 A. \$10:

35 (1) For a certificate of search of the records of the
37 Motor Vehicle Division for each name or identification
number searched against; and

39 (2) For a certificate of title issued pursuant to
section ~~895-B--and~~ 2364;

41 **Sec. 14. 29 MRSA §2372, sub-§1,** as enacted by PL 1973, c. 586,
43 §1, is amended to read:

45 1. **Transfer.** If an owner transfers his interest in a
47 vehicle, other than by the creation of a security interest, he
49 the owner shall, at the time of delivery of the vehicle, execute
an assignment and warranty of title to the transferee in the
space provided therefor on the certificate or as the Secretary of
State prescribes, including the odometer information required by
51 section 364-A and cause the certificate and assignment to be
mailed or delivered to the transferee or to the Secretary of
State.

1
3 **Sec. 15. 29 MRSA §2372, sub-§3**, as amended by PL 1981, c. 110,
§28, is further amended to read:

5 3. **Retention.** If a security interest is reserved or created
7 at the time of the transfer, the certificate of title or
certificate of salvage shall be retained by or delivered to the
9 person who becomes the lienholder, and the parties shall comply
with sections 364-A and 2403.

11 **Sec. 16. 29 MRSA §2442, sub-§1, ¶D**, as repealed and replaced by
PL 1981, c. 110, §39, is amended to read:

13 D. Uses a false or fictitious name or address, makes a
15 material false statement, fails to disclose a security
interest or conceals any other material fact in an
17 application for a certificate of title or certificate of
salvage or on any documents in support of that application;
19 or

21 **Sec. 17. 29 MRSA §2442, sub-§2**, as enacted by PL 1979, c. 673,
§12, is amended to read:

23 2. **Examination of identification numbers; impounding of**
25 **vehicle.** Any motor vehicle inspector employed within the
Department of the Secretary of State and whose duty it is to
27 enforce chapter 5, subchapter III-A, and chapter 21, may examine
the identification numbers of any vehicle or vehicle part. ~~It is~~
29 ~~unlawful for any person to fail or refuse to allow the~~
examination. Failing to comply with this subsection is a Class E
31 crime.

33 When an inspector has reasonable grounds to believe that the
identification numbers are fictitious or altered, or that a
35 violation of law has taken place, he the inspector may at any
time impound the vehicle and hold it ~~until~~ until the violation
37 has cleared.

39 **Sec. 18. 29 MRSA §2448**, as amended by PL 1987, c. 549, §4, is
further amended by adding at the end a new paragraph to read:

41 Any dealer licensed under this section who displays, sells,
43 exchanges, offers to negotiate, negotiates or advertises the sale
of rebuilt or repaired salvage vehicles must comply with chapter
45 5, subchapter III-A.

47 **Sec. 19. 29 MRSA §2449**, as repealed and replaced by PL 1983,
c. 818, §27, is amended by adding at the end a new paragraph to
49 read:

51 Towing businesses and garages which tow accident damaged
vehicles and store them awaiting disposition of an insurance

1 claim or which acquire vehicles pursuant to section 2610 are
2 exempt from this subchapter. This exemption applies only to
3 businesses which dispose of the vehicles through sale or transfer
4 immediately upon gaining ownership.

5
6 **Sec. 20. 29 MRSA §2452**, as amended by PL 1985, c. 401, §23,
7 is further amended by adding at the end a new paragraph to read:

8 All branch or annex locations must be approved and licensed
9 by the Secretary of State. The annual fee for each branch or
10 annex shall be \$75.

11
12 **Sec. 21. 29 MRSA §2455, sub-§1, ¶B**, as enacted by PL 1983, c.
13 476, §6, is amended to read:

14 B. Failure to comply with any provision of this subchapter
15 or any lawful rule adopted by the Secretary of State or any
16 provision of Title 17-A or this Title as they relate to the
17 sales of vehicles or parts;

18
19 **Sec. 22. 29 MRSA §2455, sub-§3** is enacted to read:

20 **3. Penalties.** Any person who continues to engage in
21 business as a salvage vehicle dealer, recycler or as a scrap
22 processor, after suspension or revocation of the license issued
23 by the Secretary of State, is guilty of a Class E crime,
24 punishable by a fine of not less than \$200 and that fine shall
25 not be suspended.

26 Any salvage vehicle dealer, recycler or scrap processor who fails
27 or refuses to surrender the license upon demand of the Secretary
28 of State, following the suspension or revocation of that license,
29 is guilty of a Class E crime.

30
31 **Sec. 23. 29 MRSA §2459**, as enacted by PL 1983, c. 476, §6, is
32 amended to read:

33 **§2459. Record of transactions**

34 A licensee shall maintain business records for 5 years, in
35 the form the Secretary of State prescribes as follows, a-record
36 of except that scrap processors shall be exempt from subsections
37 1 and 2:

38 **1. Receipt or acquisition.** Every vehicle or component part,
39 body,--chassis,--engine--or--transmission--of--or--fer--a--vehiele
40 received or acquired by him the licensee, its description and
41 identifying vehicle identification number, the date of its
42 receipt or acquisition, and the name and address of the person
43 from whom received or acquired;

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1 Truth in Mileage Act of 1986, 49 Code of Federal Regulations,
Part 580.

3

5 Section 4 makes the language relating to trailer and mobile
home dealers consistent with language concerning boat and
snowmobile trailer dealers and gives the Secretary of State
7 authority to limit the use of the trailer and mobile home dealer
plates.

9

11 Section 5 adds repossession companies to the list of persons
who may obtain transporter plates.

13

15 Section 6 makes a technical correction by referring to the
Maine Revised Statutes, Title 30-A following the repeal of Title
30 regarding automobile graveyards.

17

19 Section 7 repeals and replaces Title 29, section 364-A, with
language that complies with the federal Truth in Mileage Act of
1986. All information listed in Title 29, section 364-A,
subsection 1, is required by the federal Truth in Mileage Act of
21 1986. Title 29, section 364-A, subsection 3 changes an
"intentional" violation to a "knowing" violation.

23

25 Section 8 eliminates the licensing of auctioneers and
specifies that the Secretary of State shall license auction
businesses.

27

29 Section 9 accomplishes for auctions what section 3 of the
bill accomplishes for vehicle dealers.

31

33 Section 10 makes note of the change in name of the
Department of Professional and Financial Regulation, formerly the
Department of Business, Occupational and Professional Regulation.

35

37 Section 11 establishes a Class E crime for any material
misstatement or fraud on documents submitted to the Secretary of
State. The section retains the offense of substituting on an
exam or knowingly using any document fraudulently issued. Any
39 license, permit, registration or decal issued due to a
misstatement of fact will continue to be revoked.

41

43 Section 12 amends the definition of a recycler and makes it
clear that anyone who repairs or rebuilds salvage vehicles for
resale is a recycler.

45

47 Section 13 removes reference to Title 29, section 895-B
which was repealed.

49

51 Section 14 requires compliance with Title 29, section 364-A
when a vehicle is transferred and there is no lien created.

1 Section 15 requires compliance with Title 29, section 364-A
when the transfer of a vehicle involves a lien.

3
5 Section 16 makes falsity on documents used to support a
title application the same crime as falsity on the application.

7 Section 17 adds vehicle parts as an item a Motor Vehicle
Division inspector may inspect and impound and makes refusal to
9 allow an inspection of a vehicle a Class E crime.

11 Section 18 amends Title 29, section 2448, which makes clear
that anyone who rebuilds or repairs salvage vehicles for resale
13 must obtain a used vehicle dealer license in addition to the
salvage vehicle dealer license.

15 Section 19 exempts towing companies and garages which tow
17 accident damaged vehicles and store them awaiting disposition of
an insurance claim from the requirements of a salvage dealer
19 license.

21 Section 20 allows annexes for salvage dealers in the same
manner as annexes are allowed for new and used car dealers.

23 Section 21 adds criminal and Title 29 violations, as they
25 relate to the sales of vehicles or parts, as grounds for denying,
suspending or revoking a salvage dealer license.

27 Section 22 creates the same penalties for salvage dealers as
29 section 2 of the bill creates for new and used car dealers.

31 Section 23 exempts scrap processors from the necessity of
accounting for every vehicle part received, since the vehicles
33 they receive are normally completely dismantled prior to arrival
at the scrap processors' locations and the titles turned in by a
35 previous salvage dealer. If a whole vehicle arrives to be
crushed or shredded, however, the scrap processor will have to
37 keep records concerning from whom the vehicle came. The bill
also applies the provision in section 3 of the bill to salvage
39 dealers.