

MAINE STATE LEGISLATURE

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OK
R. of S.

L.D. 1235

(Filing No. S-175)

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STATE OF MAINE
SENATE
115TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 459, L.D. 1235, Bill, "An Act to Amend the Motor Vehicle Dealer Manufacturer Laws"

Amend the bill by striking out everything after the amending clause (page 1, lines 6 to 34 in L.D.) and inserting in its place the following:

'If a motor vehicle franchisor requires or permits a motor vehicle franchisee to perform labor or provide parts in satisfaction of a warranty created by the franchisor, the franchisor shall properly and promptly fulfill its warranty obligations and, in the case of motor vehicles over 10,000 pounds gross vehicle weight rating, shall adequately and fairly compensate the franchisee for any parts so provided and, in the case of all other motor vehicles, shall reimburse the franchisee for any parts so provided at the retail rate customarily charged by that franchisee for the same parts when not provided in satisfaction of a warranty. Further, the franchisor shall reimburse the franchisee for any labor so performed at the retail rate customarily charged by that franchisee for the same labor when not performed in satisfaction of a warranty; provided that the franchisee's rate for labor not performed in satisfaction of a warranty is routinely posted in a place conspicuous to its service customer. A franchisor is not required to pay the price charged by the dealer to retail customers for parts of systems, appliances, furnishings, accessories and fixtures of a motor home as defined in Title 29, section 1, subsection 5-C that are designed, used and maintained primarily for nonvehicular residential purposes. Any claim made by a franchisee for compensation for parts provided or for reimbursement for labor performed in satisfaction of a warranty shall must be paid within 30 days of its approval. All the claims shall must be either approved or disapproved within 30 days of their receipt. When any such claim is disapproved, the franchisee that submitted it shall must be notified in writing of its disapproval within that

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COMMITTEE AMENDMENT " A" to S.P. 459, L.D. 1235

2 period, together with the specific reasons for its disapproval.
3 No franchisor may, by agreement, by restriction upon
4 reimbursement, or otherwise, restrict the nature or extent of
5 labor performed or parts provided so that such restriction
6 impairs the franchisee's ability to satisfy a warranty created by
7 the franchisor by performing labor in a ~~good--and--workmanlike~~
8 professional manner or by providing parts required in accordance
9 with generally accepted standards.'

10
11 **STATEMENT OF FACT**

12 The original bill requires that motor vehicle manufacturers
13 reimburse their dealers for parts used in fulfilling a warranty
14 obligation at the dealer's retail price.

15 This amendment excludes motor vehicles over 10,000 pounds
16 and certain parts of recreation vehicles from this requirement.
17
18

Reported by Senator Baldacci for the Committee on Business
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