

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 1235

S.P. 459

In Senate, March 21, 1991

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

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

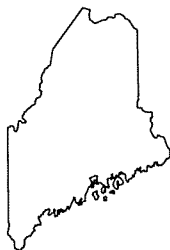
Presented by Senator TWITCHELL of Oxford

Cosponsored by Senator BALDACCI of Penobscot and Representative GRAHAM of Houlton.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND NINETY-ONE

An Act to Amend the Motor Vehicle Dealer Manufacturer Laws.



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

2

4 **10 MRSA §1176, first ¶, as repealed and replaced by PL 1979,**
c. 698, §1, is amended to read:

6

8 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
10 obligations and ~~adequately and fairly compensate the franchisee~~
~~for any parts so provided~~ shall reimburse the franchisee for any
12 parts so provided at the retail rate customarily charged by that
franchisee for the same parts when not provided in satisfaction
14 of a warranty. Further, the franchisor shall reimburse the
franchisee for any labor so performed at the retail rate
16 customarily charged by that franchisee for the same labor when
not performed in satisfaction of a warranty; provided that the
18 franchisee's rate for labor not performed in satisfaction of a
warranty is routinely posted in a place conspicuous to its
20 service customer. Any claim made by a franchisee for compensation
for parts provided or for reimbursement for labor performed in
22 satisfaction of a warranty shall must be paid within 30 days of
its approval. All the claims shall must be either approved or
24 disapproved within 30 days of their receipt. When any such claim
is disapproved, the franchisee that submitted it shall be
26 notified in writing of its disapproval within that period,
together with the specific reasons for its disapproval. No
28 franchisor may, by agreement, by restriction upon reimbursement,
or otherwise, restrict the nature or extent of labor performed or
30 parts provided so that such restriction impairs the franchisee's
ability to satisfy a warranty created by the franchisor by
32 performing labor in a ~~good and workmanlike~~ professional manner or
by providing parts required in accordance with generally accepted
34 standards.

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STATEMENT OF FACT

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40 This bill amends the warranty reimbursement laws of the
dealer manufacturer code to require that dealers be compensated
for parts in the same manner as labor when work is performed
42 under a manufacturer warranty.