

MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

FIRST REGULAR SESSION-1995

Legislative Document

No. 1190

H.P. 859

House of Representatives, April 4, 1995

An Act to Ensure Disclosures under the Used Car Information Laws.

Submitted by the Department of the Attorney General pursuant to Joint Rule 24.
Reference to the Committee on Business and Economic Development suggested and
ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative KONTOS of Windham.
Cosponsored by Representatives: BIRNEY of Paris, GERRY of Auburn, McALEVEY of
Waterboro, PLOWMAN of Hampden, TOWNSEND of Portland, Senator: FAIRCLOTH of
Penobscot.

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

2
4 **Sec. 1. 10 MRSA §1475, sub-§2-A**, as amended by PL 1991, c. 837, Pt. A, §25, is further amended to read:

6 **2-A. Required contents of disclosure statement.** The statement required by subsection 1 must contain a complete description of the motor vehicle to be sold, including, but not limited to:

10 A. The make, model, model year and any identification or serial numbers of the motor vehicle;

14 B. The dealer's duty to disclose promptly the name and address of the previous owner of the motor vehicle, or dealer, upon the request of any person, the principal use to which the motor vehicle was put by that owner such as personal transportation, police car, daily rental car, taxi or other descriptive term, and the type of sale or other means by which the person acquired the motor vehicle, such as trade-in, sheriff's sale, repossession, auction or other descriptive term, to the extent that such information is reasonably available to the person;

24 C. A statement identifying any and all mechanical defects known to the dealer at the time of sale;

28 D. A statement identifying the type of damage, if any, that the vehicle has sustained, such as fire, water or substantial collision damage, if that information is known to the dealer;

32 E. A statement, if applicable, that implied warranties with respect to the vehicle are excluded or modified. Nothing in this paragraph may be construed to affect the requirements of Title 11, section 2-316;

38 F. A statement, if applicable, disclosing that the vehicle was returned to the manufacturer, its agent or authorized dealer, for its nonconformity with express warranties. The statement must identify the nature of the nonconformities; and

44 G. If the vehicle is repossessed, a statement identifying this fact.

46
48 The Bureau of Motor Vehicles may adopt rules related to this section, including, but not limited to, rules establishing uniform disclosure forms and stickers. The Bureau of Motor Vehicles may include in any rule establishing uniform disclosure

2 forms and stickers any information that the Federal Trade
3 Commission requires to be disclosed on a sticker pursuant to the
4 Motor Vehicle Trade Regulation Rule, 16 Code of Federal
5 Regulations, Part 455, except that the Bureau of Motor Vehicles
6 may not include in any uniform disclosure form or sticker
7 information from the Federal Trade Commission rule that conflicts
8 in any manner with the information required by this section.

9
10 Any dealer who offers for sale to the consuming public a
11 repossessed vehicle that has been obtained by the dealer through
12 any transaction other than a retail sale and who meets the
13 warranty and disclosure requirements of section 1474 and
14 subsection 1 and this subsection has no other liability under
15 this chapter, except for any additional warranties negotiated
16 between the dealer and the consumer.

17 The dealer must require the buyer to sign and date the disclosure
18 statement, provide the buyer with a copy of the signed and dated
19 statement and maintain a copy of the signed and dated statement
20 for 2 years following the sale of the vehicle.

21 **Sec. 2. 10 MRSA §1475. sub-§3**, as amended by PL 1993, c. 112,
22 §2, is further amended to read:

23
24 **3. Written statement.** A dealer shall obtain from the seller
25 of a used motor vehicle a written statement containing the
26 following information:

27
28 A. The make, model, model year and any identification or
29 serial numbers of the motor vehicle;

30
31 B. The name and address of the seller, the principal use to
32 which the motor vehicle was put by the seller, such as
33 personal transportation, police car, daily rental car, taxi
34 or other descriptive term;

35
36 C. A statement identifying any and all mechanical defects
37 known to the seller at the time of sale; and

38
39 D. A statement identifying the type of damage, if any, that
40 the vehicle has sustained, such as fire, water or
41 substantial collision damage, if such information is known
42 to the seller.

43
44 Any dealer who offers for sale to consumers a repossessed vehicle
45 that has been obtained by the dealer through any transaction
46 other than a retail sale is not subject to the provisions of this
47 subsection.
48

2 The seller of the used motor vehicle shall sign and date this
written statement and the dealer who buys the vehicle shall
4 maintain a record of it for ~~one-year~~ 2 years following the sale
of the motor vehicle.

6 As used in subsections 2 and 3, "substantial collision damage"
means any damage to a motor vehicle from a collision when the
8 costs of repair of that damage, at the time of repair, including
replacement of mechanical and body parts, exceeded by 3 times the
10 amount of damage that would at the time of the collision have
required a report of the collision to a law enforcement agency
12 under the provisions of Title 29, section 891.

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STATEMENT OF FACT

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This bill helps to ensure that consumers receive information
concerning possible problems with a used car that is being
20 offered for sale by a dealer.