

MAINE STATE LEGISLATURE

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R. of S.

L.D. 1931

DATE: 3-31-00

(Filing No. H-990)

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
119TH LEGISLATURE
SECOND REGULAR SESSION

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to S.P. 681, L.D. 1931, Bill, "An Act to Amend the Franchise Law"

Amend the amendment by striking out all of section 3.

Further amend the amendment by inserting after section 4 the following:

Sec. 5. Study commission established. The Commission to Study the Most Effective Method of Providing Retail Rate Reimbursement for Parts and Labor, referred to in this section as the "commission," is established to study the most effective method of providing retail rate reimbursement under the Maine Revised Statutes, Title 10, section 1176 while protecting the interests of warranty and nonwarranty repair customers, the ability of franchisees to effectively receive reimbursement at retail rates and the interests of franchisors in relation to making such retail parts and labor reimbursement.

1. Membership. The commission consists of 5 members appointed as follows:

A. One member of the Senate, appointed by the President of the Senate;

B. One member of the House of Representatives, appointed by the Speaker of the House;

C. Two new motor vehicle dealer franchisees who are members of the Maine Auto Dealers Association, at least one of whom must be from a dealership within 50 miles of the border of New Hampshire, appointed by the Governor; and

2 D. One franchisor who is a member of the Alliance of
Automobile Manufacturers, appointed by the Governor.

4
6 **2. Appointments; chairs; convening.** The appointments of
members of the commission must be made no later than 30 days
8 following the effective date of this Act. The appointing
authorities shall notify the Executive Director of the
10 Legislative Council upon making their appointments. The Senate
member is the Senate chair and the House member is the House
12 chair. Within 15 days after appointment of all members, the
chairs of the commission shall call and convene the first meeting
of the commission.

14
16 **3. Duties.** The commission shall study the Maine Revised
Statutes, Title 10, section 1176 to determine the best manner in
18 which to implement the retail reimbursement provisions for parts
and labor for warranty work while protecting the interests of
20 warranty and nonwarranty repair consumers, the interests of
franchisees in receiving retail rate reimbursements and the
question of cost recovery by franchisors.

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24 **4. Report.** The commission shall submit a report of its
findings and recommendations and accompanying legislation to the
26 joint standing committee of the Legislature having jurisdiction
over business and economic development matters no later than
December 15, 2000. The joint standing committee of the
28 Legislature having jurisdiction over business and economic
development matters may report out a bill based upon the report.
30 If the commission requires a limited extension of time to make
its report it may apply to the Legislative Council which may
32 grant the extension.

34 **5. Staff assistance.** The commission may request staffing
assistance from the Legislative Council.

36
38 **6. Compensation.** The legislative members are entitled to
receive the legislative per diem and reimbursement for necessary
40 expenses for their attendance at authorized meetings of the
commission.

42 **7. Commission budget.** The chairs of the commission, with
assistance from the commission staff, shall administer the
44 commission budget. Within 10 days after its first meeting, the
commission shall present a work plan and proposed budget to the
46 Legislative Council for its approval. The commission may not
incur expenses that would result in the commission's exceeding
48 its approved budget. Upon request from the commission, the
Executive Director of the Legislative Council or the executive

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director's designee shall provide the commission chairs and staff with a status report on the commission budget, expenditures incurred and paid and available funds.

Sec. 6. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

2000-01

LEGISLATURE

Commission to Study the Most Effective Method of Providing Retail Rate Reimbursement for Parts and Labor

Personal Services	\$440
All Other	900

Provides funds for the per diem and expenses of legislative members of the Commission to Study the Most Effective Method of Providing Retail Rate Reimbursement for Parts and Labor and to print the required report.

LEGISLATURE TOTAL

\$1,340'

Further amend the amendment by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

FISCAL NOTE

This amendment increases the General Fund cost of the bill by \$1,340 in fiscal year 2000-01.

As amended, this bill includes a General Fund appropriation of \$1,340 in fiscal year 2000-01 for the Legislature for the per diem and expenses of legislative members of the Commission to Study the Most Effective Method of Providing Retail Rate Reimbursement for Parts and Labor and to print the required report.

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to S.P. 681, L.D.
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2 The additional costs associated with providing staffing
assistance to the commission during the interim between
4 legislative sessions can be absorbed by the Legislature utilizing
existing budgeted resources.

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8 SUMMARY

8 This amendment removes section 3 of Committee Amendment "A"
10 and establishes the Commission to Study the Most Effective Method
of Providing Retail Rate Reimbursement for Parts and Labor to
12 study how to most effectively implement the retail rate
reimbursement provisions of the Maine Revised Statutes, Title 10,
14 section 1176 while protecting the interests of consumers of
warranty and nonwarranty repair services, the interests of
16 franchisees in receiving retail rate reimbursement and the
interests of franchisors. The commission comprises a member of
18 the Senate, appointed by the President of the Senate; a member of
the House, appointed by the Speaker of the House; 2 franchised
20 automobile dealers who are members of the Maine Auto Dealers
Association; and one franchisor who is a member of the Alliance
22 of Automobile Manufacturers.

24

26 SPONSORED BY:

Gary O'Neal
(Representative O'NEAL)

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TOWN: Limestone

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