

# MAINE STATE LEGISLATURE

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L.D. 1931

DATE: 4/5/2000

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STATE OF MAINE  
SENATE  
119TH LEGISLATURE  
SECOND REGULAR SESSION

SENATE 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. One motor vehicle dealer franchisee who is a member of the Maine Auto Dealers Association and is from a dealership within 50 miles of the border of New Hampshire, appointed by the Speaker of the House;

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2 D. One motor vehicle dealer franchisee who is a member of  
the Maine Auto Dealers Association appointed by the  
4 President of the Senate; and

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

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

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

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

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

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

46 7. **Commission budget.** The chairs of the commission, with  
assistance from the commission staff, shall administer the  
48 commission budget. Within 10 days after its first meeting, the  
commission shall present a work plan and proposed budget to the  
50 Legislative Council for its approval. The commission may not

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incur expenses that would result in the commission's exceeding  
its approved budget. Upon request from the commission, the  
Executive Director of the Legislative Council or the executive  
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.

## SUMMARY

This amendment removes section 3 of Committee Amendment "A"  
and establishes the Commission to Study the Most Effective Method  
of Providing Retail Rate Reimbursement for Parts and Labor to  
study how to most effectively implement the retail rate  
reimbursement provisions of the Maine Revised Statutes, Title 10,  
section 1176 while protecting the interests of consumers of

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warranty and nonwarranty repair services, the interests of  
franchisees in receiving retail rate reimbursement and the  
interests of franchisors. The commission comprises a member of  
the Senate, appointed by the President of the Senate; a member of  
the House, appointed by the Speaker of the House; 2 franchised  
automobile dealers who are members of the Maine Auto Dealers  
Association; and one franchisor who is a member of the Alliance  
of Automobile Manufacturers.

SPONSORED BY:

*Care Kuntos*

(Senator KONTOS)

COUNTY: Cumberland