

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

SECOND REGULAR SESSION-2000

Legislative Document

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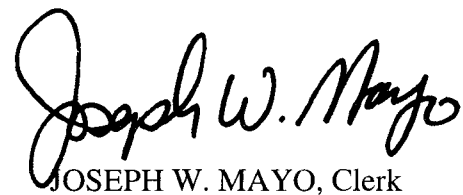
H.P. 1689

House of Representatives, January 10, 2000

**An Act Concerning Disclosure Requirements Under the Used Car
Information Laws.**

(EMERGENCY)

Submitted by the Department of the Attorney General pursuant to Joint Rule 204.
Reference to the Committee on Business and Economic Development suggested and
ordered printed.


JOSEPH W. MAYO, Clerk

Presented by Representative SAXL of Portland.
Cosponsored by Representative McGLOCKLIN of Embden.

2 **Emergency preamble.** Whereas, Acts of the Legislature do not
become effective until 90 days after adjournment unless enacted
as emergencies; and

4
6 Whereas, the used car information laws have in the past
required dealers to disclose to consumers if a used car had
suffered substantial collision damage costing more than \$1,500 to
8 repair; and

10 Whereas, a law enacted this past legislative session
indirectly increased the used car information laws disclosure
12 limit to \$3,000; and

14 Whereas, consumers could be significantly injured if they
agree to purchase a used car without being told that it had
16 suffered collision damage of up to \$3,000; and

18 Whereas, in the judgment of the Legislature, these facts
create an emergency within the meaning of the Constitution of
20 Maine and require the following legislation as immediately
necessary for the preservation of the public peace, health and
22 safety; now, therefore,

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

26 **Sec. 1. 10 MRSA §1475, sub-§3,** as repealed and replaced by PL
1995, c. 625, Pt. A, §16, is amended to read:

28 3. **Written statement.** A dealer shall obtain from the seller
of a used motor vehicle a written statement containing the
30 following information:

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

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

40 C. A statement identifying any and all mechanical defects
42 known to the seller at the time of sale; and

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

48
50 Any dealer who offers for sale to consumers a repossessed vehicle
that has been obtained by the dealer through any transaction

2 other than a retail sale is not subject to the provisions of this
subsubsection.

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

8
10 As used in subsection 2-A and this subsection, "substantial
collision damage" means any damage to a motor vehicle from a
collision when the costs of repair of that damage, at the time of
12 repair, including replacement of mechanical and body parts,
~~exceeded by 3 times the amount of damage that would at the time~~
14 ~~of the collision have required a report of the collision to a law~~
~~enforcement agency under the provisions of Title 29 A, section~~
16 ~~2251~~ exceed \$1,500.

18 **Emergency clause.** In view of the emergency cited in the
preamble, this Act takes effect when approved.

22 SUMMARY

24 Public Law 1999, chapter 61, effective September 18, 1999,
increased the monetary amount of property damage for which a
26 motor vehicle accident must be reported from \$500 to \$1,000. By
doing so, this legislation also indirectly altered the definition
28 in the used car information laws of the phrase "substantial
collision damage." This definition states that substantial
30 collision damage need not be disclosed to consumers unless the
cost of repairing that damage exceeded by 3 times the amount of
32 property damage for which a motor vehicle accident must be
reported. Therefore, the passage of Public Law 1999, chapter 61
34 means that car dealers now need not disclose substantial
collision damage unless the cost of repairing it exceeds \$3,000.

36
38 This bill would maintain the past statutory requirement that
collision damage that costs more than \$1,500 to repair must be
disclosed to consumers.