

MAINE STATE LEGISLATURE

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DATE: 5-5-03

(Filing No. H-256)

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
121ST LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 907, L.D. 1233, Bill, "An Act To Amend the Motor Vehicle Laws"

Amend the bill in section 1 in subsection 3 by striking out all of the 2nd blocked paragraph (page 1, lines 31 to 36 in L.D.) and inserting in its place the following:

'A dealer is not subject to the provisions of this subsection if that dealer offers for sale to consumers a used motor vehicle that has been obtained by the dealer through an auction located outside the State at which buyers are limited to licensed dealers and the seller of the used motor vehicle is neither a resident of this State nor a dealer licensed in this State, if the dealer clearly discloses on the written disclosure statement required by subsections 1 and 2-A that the vehicle was acquired at an out-of-state auction and that historical information regarding mechanical defects and substantial damage is not available.'

Further amend the bill by striking out all of sections 3 and 4 and inserting in their place the following:

'Sec. 3. 29-A MRSA §705, sub-§4, as enacted by PL 2001, c. 671, §16, is amended to read:

4. Remedies. The remedies set forth in this section are in addition to those set forth in section 668.

RCS

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2 A. The owner and subordinate lienholder, if any, may
3 recover \$500 \$1,000 in each case from a lienholder who fails
4 to release the security interest and deliver the certificate
5 of title, certificate of lien or certificate of salvage
6 within 14 days after-demand of receipt of funds intended to
7 satisfy the security interest of the lienholder under this
8 section, unless, within the 14-day time period, the
9 lienholder notifies the owner that satisfaction of the
10 security interest is in dispute.

11 B. If a lienholder fails to release the security interest
12 and deliver the certificate of title, certificate of lien or
13 certificate of salvage within 14 days after demand under
14 this section and has not notified the owner that
15 satisfaction of the security interest is in dispute, the
16 Secretary of State may revoke the certificate ~~of title,~~
17 ~~certificate of lien or certificate of salvage~~ and issue a
18 replacement certificate omitting the security interest upon
19 receipt of a statement by the owner that 14 days have
20 elapsed since demand for release of the security interest
21 was made and the owner has not been notified by the
22 lienholder that satisfaction of the security interest is in
23 dispute. Submission of a false statement to the Secretary
24 of State under this subsection is a Class E crime.

25 **Sec. 4. 29-A MRSA §706**, as enacted by PL 1993, c. 683, Pt. A,
26 §2 and affected by Pt. B, §5, is amended to read:

27 **§706. Lienholder to furnish information**

28 Upon request of the owner, another lienholder named on the
29 certificate of title or certificate of salvage or a dealer to
30 which the vehicle has been transferred, a lienholder shall
31 disclose pertinent information as to the security agreement, the
32 indebtedness secured by that agreement, the existence and
33 identity of subordinate lienholders on the certificate of title
34 or certificate of salvage or other written documentation held by
35 the lienholder and the certificate of title or certificate of
36 salvage numbers.
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41 **SUMMARY**

42 This amendment clarifies that motor vehicle dealers who
43 obtain motor vehicles at an auction outside the State are exempt
44 from the requirement that they obtain from the sellers of those
45 vehicles a written disclosure statement, if the dealer clearly
46 specifies on the written disclosure statement required by the
47 Maine Revised Statutes, Title 10, section 1475, subsections 1 and
48 2-A that the vehicle was acquired at an out-of-state auction and
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2 that historical information regarding mechanical defects and
substantial damage is not available. The amendment also clarifies
4 that, under the additional provision of the bill, a lienholder,
at the request of the owner, shall disclose only the existence
6 and identity of subordinate lienholders listed on the certificate
of title, the certificate of salvage or other written
documentation held by the lienholder.