

# MAINE STATE LEGISLATURE

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# 121st MAINE LEGISLATURE

## FIRST REGULAR SESSION-2003

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Legislative Document

No. 1233

H.P. 907

House of Representatives, March 6, 2003

### An Act To Amend the Motor Vehicle Laws

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Reference to the Committee on Transportation suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative McKENNEY of Cumberland.  
Cosponsored by Representatives: COLLINS of Wells, MURPHY of Kennebunk.

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

2  
4       **Sec. 1. 10 MRSA §1475, sub-§3**, as amended by PL 1999, c. 617,  
§1, is further amended to read:

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

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

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

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

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

26 Any dealer who offers for sale to consumers a repossessed vehicle  
that has been obtained by the dealer through any transaction  
28 other than a retail sale is not subject to the provisions of this  
subsection.

30 Any dealer who offers for sale to consumers a used motor vehicle  
32 is not subject to the provisions of this subsection for a motor  
34 vehicle that has been obtained by the dealer through an auction  
located outside the State at which buyers are limited to licensed  
36 dealers and the seller of the used motor vehicle is neither a  
resident of this State nor a dealer licensed in this State.

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

42 As used in subsection 2-A and this subsection, "substantial  
44 collision damage" means any damage to a motor vehicle from a  
collision when the costs of repair of that damage, at the time of  
46 repair, including replacement of mechanical and body parts,  
exceed \$2,000.

48       **Sec. 2. 29-A MRSA §705, sub-§1**, as amended by PL 1997, c. 776,  
50 §27, is further amended to read:

2           **1. Release on satisfaction.** Upon satisfaction of the  
3 security interest of the lienholder, the lienholder shall, within  
4 14 days after-demand of receipt of funds intended to satisfy the  
5 security interest of the lienholder, execute a release of the  
6 security interest in the space provided on the certificate. The  
7 lienholder shall:

8  
9           A. Release the certificate of title, certificate of salvage  
10 or certificate of lien to the subordinate lienholder if one  
11 is named;

12  
13           B. If the lien was satisfied in conjunction with the sale  
14 of the vehicle and there is no subordinate lienholder,  
15 release and deliver the certificate of title, certificate of  
16 salvage or certificate of lien to the owner or to a person  
17 who delivers to the lienholder an authorization from the  
18 owner to receive the certificate; or

19           C. Deliver the certificate to the owner and notify the  
20 Secretary of State that the lien has been satisfied.

21  
22           **Sec. 3. 29-A MRSA §705, sub-§4,** as enacted by PL 2001, c. 671,  
23 §16, is amended to read:

24  
25           **4. Remedies.** The remedies set forth in this section are in  
26 addition to those set forth in section 668.

27  
28           A. The owner and subordinate lienholder, if any, may  
29 recover \$500 \$1,000 in each case from a lienholder who fails  
30 to release and deliver the security interest within 14 days  
31 after-demand of receipt of funds intended to satisfy the  
32 security interest of the lienholder under this section,  
33 unless, within the 14-day time period, the lienholder  
34 notifies the owner that satisfaction of the security  
35 interest is in dispute.

36  
37           B. If a lienholder fails to release and deliver the  
38 security interest within 14 days after demand under this  
39 section and has not notified the owner that satisfaction of  
40 the security interest is in dispute, the Secretary of State  
41 may revoke the certificate of title, certificate of lien or  
42 certificate of salvage and issue a replacement certificate  
43 omitting the security interest upon receipt of a statement  
44 by the owner that 14 days have elapsed since demand for  
45 release of the security interest was made and the owner has  
46 not been notified by the lienholder that satisfaction of the  
47 security interest is in dispute. Submission of a false  
48 statement to the Secretary of State under this subsection is  
49 a Class E crime.  
50

