

MAINE STATE LEGISLATURE

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128th MAINE LEGISLATURE

FIRST REGULAR SESSION-2017

Legislative Document

No. 84

S.P. 33

In Senate, January 11, 2017

An Act To Clarify the Contracts Used for Automobile Sales

Reference to the Committee on Labor, Commerce, Research and Economic Development suggested and ordered printed.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Secretary of the Senate

Presented by Senator MIRAMANT of Knox.
Cosponsored by Representative MASTRACCIO of Sanford and
Senators: CYRWAY of Kennebec, LIBBY of Androscoggin, Representatives: PARRY of
Arundel, SPEAR of South Thomaston.

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

2 **Sec. 1. 10 MRSA §1194, sub-§2** is enacted to read:

3 **2. Summary of costs; buyer acknowledgment.** A dealer shall present to the buyer
4 a concise and plain language summary in writing explaining each cost item to be incurred
5 by the buyer, as well as the total of all cost items, before selling the buyer a new or used
6 motor vehicle. Cost items that must be summarized include, but are not limited to, the
7 vehicle purchase price, each charge, tax and fee pertinent to the sales agreement and, if
8 the sale involves a financing agreement with or facilitated by the dealer, all interest and
9 other financing costs to be paid. The summary of the total of all cost items must include,
10 but is not limited to, the total cost over the term of a financing agreement with or
11 facilitated by the dealer. Each of these summaries must be acknowledged by the buyer
12 with the buyer's signature, or with the buyer's initials, immediately below the summary.

13 Any sales agreement, or financing agreement with or facilitated by the dealer, for which
14 the dealer fails to provide these cost summaries and to receive proper acknowledgment
15 from the buyer pursuant to this subsection is void, and the buyer is entitled to a
16 reimbursement from the dealer of all costs paid pursuant to that sales agreement or
17 financing agreement. This subsection does not preclude any remedies available to a
18 buyer under Title 5, chapter 10 or Title 9-A, Article 8-A or any other remedies otherwise
19 available to the buyer at law or equity.

20 **SUMMARY**

21 This bill requires a motor vehicle dealer to provide a buyer with a plain language
22 written summary explaining each cost item in an agreement for the sale of a motor
23 vehicle, including, but not limited to, the vehicle purchase price, each charge, tax and fee
24 pertinent to the agreement and all interest and other financing costs to be paid pursuant to
25 a financing agreement with or facilitated by the dealer. The dealer must also provide a
26 summary of the total of all costs, including the total cost over the life of a financing
27 agreement with or facilitated by the dealer. If the dealer fails to provide these summaries
28 and to obtain the buyer's written acknowledgment, the agreement is void and the buyer
29 may recover from the dealer all costs paid pursuant to the agreement.