

# MAINE STATE LEGISLATURE

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E I G H T Y - N I N T H   L E G I S L A T U R E

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Legislative Document

No. 323

H. P. 932

House of Representatives, February 2, 1939.

Referred to Committee on Motor Vehicles and sent up for concurrence.  
1000 copies ordered printed.

HARVEY R. PEASE, Clerk.

Presented by Mr. Paul of Portland.

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S T A T E   O F   M A I N E

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IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
THIRTY-NINE

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**AN ACT to Regulate the Business of Selling Used or Second-Hand Motor Vehicles by Dealers not Residing in or Having a Permanent Place of Business in the State of Maine, and by Resident Dealers Purchasing, Handling or Selling Used or Second-Hand Motor Vehicles Received or Acquired from Non-Residents.**

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

**Sec. 1. Sale of used motor vehicles by non-residents regulated.** Every person, firm or corporation who brings any used, or second-hand motor vehicle into the state of Maine for the purpose of sale or resale, except as a trade-in on a new motor vehicle or as a trade-in on another used or second-hand car of greater value than the vehicle so brought into this state for the purpose of sale or resale, shall within 10 days from the date of bringing said motor vehicle into the state, register such motor vehicle with the secretary of state on a form to be provided by said secretary of state and shall, before said used or second-hand car is put on or into a dealers place of business for sale or offered for sale, or sold, execute a bond with 2 good and sufficient sureties, or with a surety company duly authorized to do business in the state, payable to the secretary of state for the use and benefit of the purchaser conditioned to pay all loss, damages and expenses that may be sustained by the purchaser, by reason of the failure of the

title of such vendor or by reason of any fraudulent misrepresentations or breaches of warranty as to freedom from liens. Said bond shall be in the full amount of the sale price of such motor vehicle, but in no event to exceed the sum of \$1000, and shall be filed with the secretary of state by the vendor and be approved by him as to the amount and form of the bond for which service by said secretary of state's office in registering said vehicle, the vendor shall pay a fee of \$2, and a fee of \$5 for each bond so filed and approved which sum shall be paid to the treasurer of state. Said bond shall carry a provision that no suit or action thereon shall be brought or maintained unless the same be instituted within one year from the date of the execution of said bond.

**Sec. 2. Guarantee of title.** Every person, firm or corporation upon the sale and delivery of any used, or second-hand motor vehicle shall within 24 hours thereof deliver to the vendee, a bill of sale carrying guarantee of title of said vehicle by the vendor on a form to be provided by the secretary of state.

**Sec. 3. Limitation of vendor's rights.** No action, nor right of action to recover any such motor vehicle, nor any part of the selling price thereof, shall be maintained in the courts of this state by any such dealer or vendor, his successors or assigns, in any case wherein such vendor or dealer shall have failed to comply with the terms and provisions of this act.

**Sec. 4. Definitions.** The terms "dealer" and "vendor" herein used shall be construed to include every individual, partnership, corporation or trust whose business in whole or in part, is that of selling new or used motor vehicles and every agent, representative, or consignee of any such dealer as fully as if same had been herein expressly set out, except that no agent, representative or consignee of such dealer or vendor shall be required to make and file the said bond if such dealer or vendor for whom such agent, representative or consignee acts fully complies, in each instance, with the provisions of this act.

**Sec. 5. Inventory required.** All dealers of used or second-hand motor vehicles who come within the terms of this act shall take an inventory of all used and second-hand motor vehicles which they have on hand, on forms to be provided by the secretary of state, sworn to under oath and filed with the secretary of state as of July 1, 1939, or within 30 days after this act becomes effective.

**Sec. 6. Penalty.** Any such vendor or dealer, upon conviction for the violation of any of the provisions of this act, shall be punished by a fine

of not less than \$100 and not more than \$500, or by imprisonment for not less than 30 days nor more than 6 months, or by both such fine and imprisonment.

**Sec. 7. Saving clause.** If any clause, sentence, paragraph, or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder of this act but shall be confined in its operation of the clause, sentence, paragraph, or part thereof, directly involved in the controversy in which such judgment shall have been rendered.