

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
118TH LEGISLATURE

SECOND REGULAR SESSION  
AND  
SECOND SPECIAL SESSION

BILL SUMMARIES  
JOINT STANDING COMMITTEE  
ON  
BUSINESS AND ECONOMIC DEVELOPMENT

MAY 1998

**MEMBERS:**

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*Sen. Anne M. Rand*

*Sen. Bruce W. MacKinnon*

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**ONE HUNDRED EIGHTEENTH LEGISLATURE**  
**SECOND REGULAR AND SECOND SPECIAL SESSIONS**

**Summary Of Legislation Before The Joint Standing Committees**  
**May 1998**

We are pleased to provide this summary of bills that were considered by the Joint Standing Committees of the Maine Legislature. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this Session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills handled by the joint standing committees. It is organized by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet ([www.state.me.us/legis/opla](http://www.state.me.us/legis/opla)).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

- CON RES XXX*..... Chapter # of Constitutional Resolution passed by both Houses
- CONF CMTE UNABLE TO AGREE*.....Committee of Conference unable to agree; bill died
- DIED BETWEEN BODIES*.....House & Senate disagree; bill died
- DIED IN CONCURRENCE*.....One body accepts ONTP report; the other indefinitely postpones the bill
- DIED ON ADJOURNMENT*.....Action incomplete when session ended; bill died
- EMERGENCY*.....Enacted law takes effect sooner than 90 days
- FAILED EMERGENCY ENACTMENT/FINAL PASSAGE*.....Emergency bill failed to get 2/3 vote
- FAILED ENACTMENT/FINAL PASSAGE*.....Bill failed to get majority vote
- FAILED MANDATE ENACTMENT*.....Bill imposing local mandate failed to get 2/3 vote
- INDEF PP*.....Bill Indefinitely Postponed
- ONTP*..... Ought Not To Pass report accepted
- OTP ND*..... Committee report Ought To Pass In New Draft
- OTP ND/NT*..... Committee report Ought To Pass In New Draft/New Title
- P&S XXX*..... Chapter # of enacted Private & Special Law
- PUBLIC XXX*..... Chapter # of enacted Public Law
- RESOLVE XXX*..... Chapter # of finally passed Resolve
- UNSIGNED*.....Bill held by Governor
- VETO SUSTAINED*.....Legislature failed to override Governor's Veto

Please note the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is June 30, 1998 and July 9, 1998 for the Second Special Session. Second Special Session laws include Public Laws beginning with Chapter 718, Private and Special Laws beginning with Chapter 82 and Resolves beginning with Chapter 117.

**LD 2249**

**An Act to Promote Sustained Economic Growth and to Implement Recommendations Regarding the Department of Economic and Community Development**

**ONTP**

Sponsor(s)

Committee Report  
ONTP

Amendments Adopted

LD 2249 proposed to implement the combined recommended General Fund appropriation for the state and regional economic development organizations, including the Maine Science and Technology Foundation. In addition, this bill proposed to implement the recommendations regarding the Department of Economic and Community Development under the State Government Evaluation Act and make appropriations to the Department of Economic and Community Development to provide enhanced services to businesses to promote the marketing of Maine-made consumer goods. This bill requires the Department of Economic and Community Development to report back to the legislative committee of jurisdiction with an assessment of the benefits attributable to the additional funding.

Finally, this bill proposed to repeal the statutory requirements that the Director of the Office of Business Development collect and distribute to the appropriate permitting agency permit applications and application fees for retail businesses and that the director establish a municipal centralized permitting program for retail businesses.

***Enacted Law Summary***

Portions of this bill were included in Part CC of the supplemental budget, PL 1997, chapter 643 to appropriate funds for economic development initiatives.

**LD 2275**

**An Act to Modify the Law Pertaining to Personal Sports Mobile Franchises**

**PUBLIC 717**

Sponsor(s)  
SHANNON  
MACKINNON

Committee Report  
OTP-AM

Amendments Adopted  
H-999

LD 2275 proposed to clarify that the term "coercion" does not include good faith attempts by the manufacturer to enforce the terms of the franchise or contractual agreement.

The bill proposed to change the notice of violation and cure periods from 180 days to 120 days.

The bill proposed to clarify that, in the event of termination, cancellation, nonrenewal or noncontinuance of a franchise by the manufacturer, the manufacturer must provide reasonable and fair compensation to the dealer for the inventory of the current and previous two model years purchased from the manufacturer.

The bill proposed to specify the conditions and procedures for the repurchase of unused supplies and parts by the manufacturer in the event of termination, cancellation, nonrenewal or noncontinuance of the franchise.

The bill proposed to provide that, in the event that the manufacturer is requested to reimburse the dealer for facility rental costs, the reimbursement is limited to the pro rata portion of the rent that is attributable to the aggregate

percentage of sales and service dollar volume derived from the sale and service of products that are manufactured by the manufacturer that is providing the reimbursement.

The bill proposed to make a technical correction to the law and provides that reimbursement for parts remaining in inventory upon the termination, cancellation, nonrenewal or noncontinuance of a franchise is to be made within 90 days of the return of those parts to the manufacturer.

The bill proposed to change the reimbursement rate at which a manufacturer must compensate the dealer in warranted parts to the published manufacturer's suggested retail price at the time of retail sale.

The bill proposed to remove the state criminal penalties associated with violations of the franchise law. Civil remedies are available under the franchise law and civil and criminal remedies are available under other legal authorities.

**Committee Amendment "A" (H-999)** proposed to correct two errors in the text of the legislative document and makes an additional technical correction to the existing Personal Sports Mobile Business Practices Act.

#### ***Enacted law summary***

Public Law 1997, chapter 717 makes the following modifications to the personal sports mobile franchise law:

1. Clarifies that the term "coercion" does not include good faith attempts by the manufacturer to enforce the terms of the franchise or contractual agreement.
2. The notice of violation and cure periods is changed from 180 days to 120 days.
3. In the event of termination, cancellation, nonrenewal or noncontinuance of a franchise by the manufacturer, the manufacturer must provide reasonable and fair compensation to the dealer for the inventory of the current and previous two model years purchased from the manufacturer.
4. The conditions and procedures are specified for the repurchase of unused supplies and parts by the manufacturer in the event of termination, cancellation, nonrenewal or noncontinuance of the franchise.
5. In the event that the manufacturer is requested to reimburse the dealer for facility rental costs, the reimbursement is limited to the pro rata portion of the rent that is attributable to the aggregate percentage of sales and service dollar volume derived from the sale and service of products that are manufactured by the manufacturer that is providing the reimbursement.
6. Provides for dealer reimbursement for parts remaining in inventory upon the termination, cancellation, nonrenewal or noncontinuance of a franchise within 90 days of the return of those parts to the manufacturer.
7. Changes the reimbursement rate at which a manufacturer must compensate the dealer in warranted parts to the published manufacturer's suggested retail price at the time of retail sale.
8. Removes the state criminal penalties associated with violations of the franchise law. Civil remedies are available under the franchise law and civil and criminal remedies are available under other legal authorities.