

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Clarify the Scope of Maine's Franchise Laws for Dealers of Power Equipment, Machinery and Appliances**

**Emergency preamble.** Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

**Whereas,** there is uncertainty regarding the extraterritorial effect of Maine's franchise laws for dealers of power equipment, machinery and appliances and whether these laws apply to out-of-state dealerships; and

**Whereas,** such uncertainty has the potential to immediately and substantially disrupt the ability of Maine manufacturers, distributors and franchisors to maintain dealerships in other states and cause such manufacturers and distributors to relocate out of Maine, which could cost Maine jobs; and

**Whereas,** in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

**Sec. 1. 10 MRSA §1361, sub-§1,** as enacted by PL 1993, c. 195, §1, is amended to read:

**1. Dealer.** "Dealer" means a person located within this State who sells goods or solicits or advertises the sale of goods to the public. "Dealer" does not include receivers, trustees, administrators, executors, guardians or other persons appointed by or acting under judgment, decree or order of any court nor does it include public officers performing their duties as officers.

**Sec. 2. 10 MRSA §1361, sub-§4,** as enacted by PL 1993, c. 195, §1, is amended to read:

**4. Franchisee.** "Franchisee" means a person, dealer or distributor of goods located within this State to whom a franchise is offered or granted.

**Sec. 3. Intent; application.** It is the intent of the Legislature that the amendments set forth in this Act are a clarification of existing law, not a change in the law. Notwithstanding the Maine Revised Statutes, Title 1, section 302, this Act applies to all actions and proceedings pending on the effective date of this Act.

**Emergency clause.** In view of the emergency cited in the preamble, this legislation takes effect when approved.

### **SUMMARY**

Consistent with the principle that Maine law does not have an extraterritorial effect, this bill confirms that Maine's franchise laws regarding dealers of power equipment, machinery and appliances apply to dealerships located within this State and are not intended to cover dealerships located outside the State.